LINCOLN CITY LIBRARIES
3 3045 01513 9823

POLITICAL SCIENCE QUARTERLY

THE JOURNAL OF PUBLIC AND INTERNATIONAL AFFAIRS

FEB 0 2 1998

John H. Aldrich
David W. Rohde — The Transition to Republican Rule in the House

Robert Jervis — Complexity and the Analysis of Political and Social Life

Jeffrey Herbst — Prospects for Elite-Driven Democracy in South Africa

Javier Corrales — Do Economic Crises Contribute to Economic Reform? Argentina and Venezuela in the 1990s

Michael K. Brown — Bargaining for Social Rights: Unions and the Reemergence of Welfare Capitalism

Jerome Slater — Opinion: Netanyahu, A Palestinian State, and Israeli Security Reassessed

Book Reviews

Title Page and Contents of Volume 112

$10.50

Winter 1997–98

Published by The Academy of Political Science since 1886

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

POLITICAL SCIENCE QUARTERLY

Editorial Advisory Board

Henry J. Abraham
University of Virginia

Robert J. Art
Brandeis University

Robert A. Divine
University of Texas at Austin

Jorge I. Domínguez
Harvard University

Doris A. Graber
University of Illinois at Chicago

Richard Haass
The Brookings Institution

Charles V. Hamilton
Columbia University

Hugh Heclo
George Mason University

Akira Iriye
Harvard University

Robert Jervis
Columbia University

Ira Katznelson
Columbia University

Everett Carll Ladd, Jr.
University of Connecticut

Walter LaFeber
Cornell University

Richard Ned Lebow
Ohio State University

Theodore J. Lowi
Cornell University

Burke Marshall
Yale University

John R. Petrocik
University of California, Los Angeles

Richard M. Pious
Barnard College

Nelson W. Polsby
University of California, Berkeley

William B. Quandt
University of Virginia

Susan Rose-Ackerman
Yale University

Joseph Rothschild
Columbia University

Virginia Sapiro
University of Wisconsin-Madison

Arthur M. Schlesinger, Jr.
City University of New York

Robert Y. Shapiro
Columbia University

John J. Smee
Fordham University

Kathleen Thelen
Northwestern University

Allen S. Whiting
University of Arizona

M. Crawford Young
University of Wisconsin-Madison

Editorial Assistants

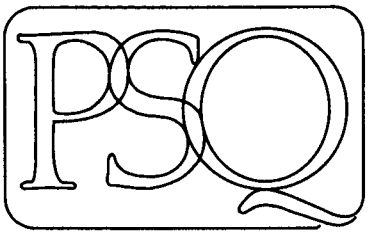
Judith Chase

Kimberley Johnson

John Lapinski

Bridget Welsh

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED



POLITICAL SCIENCE QUARTERLY

THE JOURNAL OF PUBLIC AND INTERNATIONAL AFFAIRS

EDITOR	DEMETRIOS JAMES CARALEY *Barnard College* *Columbia University*
MANAGING EDITOR	BONNIE B. HARTMAN
MANUSCRIPT EDITOR	JEAN HIGHLAND

POLITICAL SCIENCE QUARTERLY is a nonpartisan journal devoted to the study and analysis of government, politics, and international affairs.

Published continuously since 1886.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Issued in Spring, Summer, Fall, and Winter, POLITICAL SCIENCE QUARTERLY (ISSN 0032-3195) is published by the Academy of Political Science, 475 Riverside Drive, Suite 1274, New York, NY 10115-1274. Subscriptions are obtained through membership in the Academy.

Regular membership: one year, $39.00; two years, $70.00; three years, $93.00; student, $27.00 a year. Libraries and institutions $159.00 a year. Periodicals postage paid at New York, N.Y. and additional mailing offices. Foreign postage is $8.00 additional per year. Volume 112 Number 4, Winter 1997–98. Special membership: contributing, $75; fellow, $150; patron, $250; benefactor, $1,000. *Contributions are tax deductible.* Credit cards accepted: American Express, MasterCard, and Visa.

Manuscripts, books for review, and editorial correspondence should be addressed to the Managing Editor, POLITICAL SCIENCE QUARTERLY, 475 Riverside Drive, Suite 1274, New York, NY 10115-1274. Correspondence about advertising and reprint permission should be addressed to Loren Morales, Business Manager, The Academy of Political Science, 475 Riverside Drive, Suite 1274, New York, NY 10115-1274.

PREPARATION OF ARTICLE MANUSCRIPTS: *PSQ* is a fully refereed journal. Manuscripts and footnotes should be double-spaced throughout in 12 point type and submitted in triplicate with a 200 word abstract. Place all tables, figures, and notes at the end of manuscript. Manuscripts over 40 pages will not be refereed. Authors who want their manuscripts returned must enclose postage.

PUBLISHED INDICES: A title page and an index of articles and book reviews appears in the Winter issue of *PSQ*. *The Reader's Guide to Periodical Literature* lists articles from 1886 to 1953 and *The Social Science Index* has articles dating from 1953 to the present. Articles are also listed in *ABC Pol Sci*, *The International Bibliography of Political Science*, and the *Public Affairs Information Services Bulletin*. Articles are abstracted in *United States Political Science Documents*, *The International Political Science Abstracts*, *Historical Abstracts*, *Urban Affairs Abstracts*, *Political Science Abstracts*, and *America: History and Life*. Book reviews are listed in *The Book Review Digest to Social Science Periodicals*, *Book Review Index*, and *Book Review Digest*.

ELECTRONIC SOURCES: University Microfilms has *PSQ* on CD-ROM dating from 1989 in their *General Periodicals on Disc* and the *Social Science Index on Disc*. Information Access Company produces *PSQ* full-text on their *Academic Index* dating from 1993.

ACADEMIC PERMISSIONS SERVICE: Prior to photocopying items for educational classroom use, please contact the Copyright Clearance Center, Customer Service, 222 Rosewood Drive, Danvers, MA 01923. (508)750-8400.

ORDERS: Back issues of *PSQ* may be ordered from the Academy. A check payable to the Academy of Political Science should accompany all orders. Single issue, $10.50. Reprints of articles are available from UMI Infostore, 500 Sansom Street, San Francisco, CA 94111-3219. Toll free number: 800-248-0360. One copy, $11.00 plus 25¢ per page over 10 pp. Additional copies, $6.00 each. All prices are subject to change.

Postmaster—send address changes to Political Science Quarterly, 475 Riverside Drive, Suite 1274, New York, NY 10115-1274.

Copyright © 1997 by The Academy of Political Science. All rights reserved.

Library of Congress Catalog Card Number: 7-36315.

Printed by Capital City Press, Montpelier, Vermont.

Visit our Home Page:
http://www.epn.org/psq.html

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

CONTENTS

PSQ • Volume 112 • Number 4 • Winter 1997–98

The Transition to Republican Rule in the House: Implications for Theories of Congressional Politics
JOHN H. ALDRICH
DAVID W. ROHDE 541

Complexity and the Analysis of Political and Social Life
ROBERT JERVIS 569

Prospects for Elite–Driven Democracy in South Africa
JEFFREY HERBST 595

Do Economic Crises Contribute to Economic Reform? Argentina and Venezuela in the 1990s
JAVIER CORRALES 617

Bargaining for Social Rights: Unions and the Reemergence of Welfare Capitalism, 1945–1952
MICHAEL K. BROWN 645

Opinion: Netanyahu, A Palestinian State, and Israeli Security Reassessed
JEROME SLATER 675

Book Reviews 691

Reference Books and Other Publications of Interest Received 735

Title Page and Contents of Volume 112 737

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

BOOK REVIEWS

Gary Orfield, Susan E. Eaton, and the Harvard Project on School Desegregation, **Dismantling Desegregation: The Quiet Reversal of Brown v. Board of Education** — Paul Teske — 691

John B. Bader, **Taking the Initiative: Leadership Agendas in Congress and the "Contract with America"** — James G. Gimpel — 692

Jorge I. Dom·,nguez and Marc Lindenberg, eds., **Democratic Transitions in Central America** — Consuelo Cruz — 694

Akira Iriye, **Cultural Internationalism and World Order** — Thomas Schoonover — 695

Gerald M. Pomper, Walter Dean Burnham, Anthony Corrado, Marjorie Randon Hershey, Marion R. Just, Scott Keeter, Wilson Carey McWilliams, and William G. Mayer, **The Election of 1996: Reports and Interpretations** — Norman R. Luttbeg — 696

Kristi Andersen, **After Suffrage: Women in Partisan and Electoral Politics before the New Deal** — Jane Junn — 697

Philip A. Klinkner, ed., **Midterm: The Elections of 1994 in Context** — James E. Campbell — 698

Bruce D. Larkin, **Nuclear Designs: Great Britain, France, and China in the Global Governance of Nuclear Arms** — Jim Walsh — 700

Felipe Agu»ero, **Soldiers, Civilians, and Democracy: Post-Franco Spain in Comparative Perspective**; and Juan D·,ez Medrano, **Divided Nations: Class, Politics, and Nationalism in the Basque Country and Catalonia** — W. Rand Smith — 701

Elizabeth Picard, **Lebanon: A Shattered Country** — Michael C. Hudson — 703

Grant Reeher, **Narratives of Justice: Legislators' Beliefs about Distributive Fairness** — Kay Lehman Schlozman — 704

Louise Richardson, **When Allies Differ: Anglo-American Relations during the Suez and Falklands Crises** — Gene A. Sessions — 705

Gordon B. Smith, **Reforming the Russian Legal System** — Peter Juviler — 707

Dale R. Herspring, **Russian Civil-Military Relations** — Laura V. Swartz — 708

Ilya V. Gaiduk, **The Soviet Union and the Vietnam War** — Fredrik Logevall — 709

Benno Ndulu, Nicolas van de Walle, and contributors, **Agenda for Africa's Economic Renewal** — David K. Leonard and Elliot Posner — 710

Robert D. Reischauer, ed., **Setting National Priorities: Budget Choices for the Next Century** — Robert C. Lowry — 712

Sarah A. Binder and Steven S. Smith, **Politics or Principle? Filibustering in the United States Senate** — J. Mark Wrighton — 713

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

John Dumbrell, **American Foreign Policy: Carter to Clinton** WALTER LAFEBER 714

Claude Ake, **Democracy and Development in Africa** FRANK HOLMQUIST 715

Bruce Bimber, **The Politics of Expertise in Congress: The Rise and Fall of the Office of Technology Assessment** WILLIAM T. GOLDEN 716

Mark J. Rozell and Clyde Wilcox, **Second Coming: The New Christian Right in Virginia Politics** CORWIN SMIDT 717

Michael S. Sparer, **Medicaid and The Limits of State Health Reform** JAMES W. FOSSETT 718

Steven M. Teles, **Whose Welfare? AFDC and Elite Politics** DONNA WILSON KIRCHHEIMER 719

Peter Roman, **Eisenhower and the Missile Gap** CHRISTOPHER PREBLE 720

Vojtech Mastny, **The Cold War and Soviet Insecurity: The Stalin Years** MELVYN P. LEFFLER 722

Simon Clarke, Peter Fairbrother, and Vadim Borisov, **The Workers' Movement in Russia** WALTER D. CONNOR 723

Walter D. Connor, **Tattered Banners: Labor, Conflict, and Corporatism in Postcommunist Russia** LEONARD BENARDO 724

Robert W. Thurston, **Life and Terror in Stalin's Russia: 1934–1941** ANDREA CHANDLER 725

David I. Kertzer, **Politics and Symbols: The Italian Communist Party and the Fall of Communism** ALEXANDER DE GRAND 726

Michael Sheehan, **The Balance of Power: History and Theory** NORMAN RICH 727

Susan Peterson, **Crisis Bargaining and the State: The Domestic Politics of International Conflict** JOE D. HAGAN 728

Andrew Bell-Fialkoff, **Ethnic Cleansing** ROY LICKLIDER 730

Emily Hauptmann, **Putting Choice Before Democracy: A Critique of Rational Choice Theory** CAROLE PATEMAN 731

Bo Rothstein, **The Social Democratic State: The Swedish Model and the Bureaucratic Problem of Social Reforms** TIM TILTON 732

Sheldon D. Pollack, **The Failure of U.S. Tax Policy: Revenue and Politics** JANE G. GRAVELLE 733

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

From the Editor:

In this issue . . .

JOHN H. ALDRICH and DAVID W. ROHDE examine the revisions in the rules of the House of Representatives and the Republican Party Conference imposed by the Republican majority when it took control of the House after the 1994 elections. From this analysis, they draw inferences about support for competing theories of congressional politics.

ROBERT JERVIS argues that in policy analysis we too often overlook the complex dynamics and interactions that characterize political and social systems. Focusing on complexity and interaction in a system leads to a greater understanding of human activities, more methodological sophistication, and better guidelines for action.

JEFFREY HERBST looks at the pact that led to South Africa's first nonracial government in 1994. He finds that much of the optimism surrounding democratic transitions in Latin America is not justified in South Africa, because South African leaders have much more difficulty managing their respective constituencies.

JAVIER CORRALES questions the claim that deep economic crises pave the way for successful implementation of economic reforms. By looking at Argentina and Venezuela, he argues that a better predictor of the implementation of reform is whether the president resolves political differences with the ruling party.

MICHAEL K. BROWN analyzes why American unions acted to put employee benefits on the bargaining table in the 1940s and why that strategy was supported by President Truman and northern Democrats in Congress. The author argues that union leaders were motivated to obtain private social benefits such as health insurance in order to ensure the security of union membership, a question that was reopened when the closed shop was outlawed by the Taft-Hartley Act. Paradoxically, this union policy helped defeat Truman's efforts to enact national health insurance.

In one of our occasional opinion essays, JEROME SLATER discusses the arguments for and against a Palestinian state as the solution to the Arab-Israeli conflict. He argues that an appropriately structured Palestinian state would enhance rather than threaten Israel's national security.

I want to express my thanks to my friend, colleague, and Editorial Board member Richard M. Pious for his exceptional contributions to the Fall and Winter issues of the *Quarterly*.

DEMETRIOS JAMES CARALEY

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

The Transition to Republican Rule in the House: Implications for Theories of Congressional Politics

JOHN H. ALDRICH
DAVID W. ROHDE

The 1994 congressional elections were dramatic. The Republicans won control of the U.S. House, ending the longest continuous reign by a single party in the nation's history and including the defeat of a sitting Speaker for the first time this century. These results caught nearly everyone by surprise. Hardly a pollster, pundit, scholar, or even Republican party leader anticipated such GOP victories in the House.

As dramatic as the election returns proved to be, Republican activities within the House in the 104th Congress were equally as dramatic. Speaker-to-be Newt Gingrich (GA) led an aggressive change in the rules and practices of the House, apparently with the hope that such changes would result in dramatically different policies forthcoming from it. In this article we investigate the nature of the structural and procedural changes, focusing in particular on the manner in which the newly elected Republican majority reorganized its partisan and leadership institutions with the apparent expectation of using them to enact outcomes the party collectively sought to achieve.

Our purpose is to consider what these changes reveal, not just about the different views between the two parties as to the appropriate ways to conduct the public's business, but also as to the importance and role of structure and process in congressional politics. The House has long been the more highly structured and rules-driven of the two chambers. Over the last few decades, the

JOHN H. ALDRICH is professor of political science at Duke University and author of *Why Parties?* DAVID W. ROHDE is professor of political science and director of the Political Institutions and Public Choice Program at Michigan State University. His most recent book is *Parties and Leaders in the Postreform House*.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

scholarly community has made tremendous strides in understanding the nature, origin, and consequences of these rules. It is thus an unfortunate coincidence that this understanding has developed in the longest period of single-party control of the House in history, providing a restricted range of empirical observation from which to develop this understanding. The 1994 elections and the consequent shift in party majority provide us with a long-hidden perspective on these questions.

We, of course, cannot understand the nature and impact of internal organization on the Congress without theory to guide us. In this article, we develop further the logic of "conditional party government," a perspective we have proposed elsewhere as an explanation of the impact of political parties on behavior within the legislature.[1] We contrast that explanation with a theory offered most forcefully by Keith Krehbiel[2] that majorities rule and that, therefore, the policy outcome expected to be adopted by either chamber is that of the ideal preference of the median member.[3] The latter account argues that internal organizations may be useful, efficiency-enhancing devices, but by and large such internal organizations, rules, and procedures have rather small impact on the kinds of outcomes and policy directions the Congress would choose. The former perspective argues that the whole purpose of developing such rules is to use them to try to affect outcomes and to change the direction of policy. It might seem that such dramatic differences in central claims would be easily resolved by empirical observation. In fact, both perspectives have strong plausibility, both theoretically and empirically. It is our hope that the results of the Republican victory of 1994 will provide the circumstances to investigate these competing explanations.

Testing the conditional party government explanation involves the following steps: first, demonstrating that the condition in conditional party government holds (at least up to a reasonable approximation); second, demonstrating that at least the majority party members choose to develop mechanisms by which

[1] David W. Rohde, *Parties and Leaders in the Postreform House* (Chicago: University of Chicago Press, 1991); John H. Aldrich, *Why Parties? The Origin and Transformation of Party Politics in America* (Chicago: University of Chicago Press, 1995).

[2] Keith Krehbiel, *Information and Legislative Organization* (Ann Arbor: University of Michigan Press, 1991); Krehbiel, "Where's the Party?" *British Journal of Political Science* 23 (April 1993): 235–266; Krehbiel, "Institutional and Partisan Sources of Gridlock," *Journal of Theoretical Politics* 8 (January 1996): 7–40.

[3] Recently, Krehbiel in "Institutional and Partisan Sources of Gridlock" developed the fuller logic of passage not just within a single chamber but through both chambers and in the context of the possibility of presidential veto and override attempts. The result reflects the impact of not just the ideal point of the median member in, say, the House, but also various other median points, veto points, etc. At least in the 1996 article, however, he continues to contrast his expected outcome with that hypothesized to be chosen under the conditional party government explanation. Because we will be focusing empirically on the organizing of the party and Congress under conditional party government, rather than on location of policies actually chosen, we will develop here the logic of the single-chamber, majorities rule explanation. In either case, Krehbiel's explanations do not predict partisan "bias" to rules or especially policy outcomes.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

the party (its conference, leadership, or other institutions) could seek to realize the goals shared broadly (though hardly universally) by its members; and third, demonstrating that the resulting outcomes are shaped in part by the actions of the majority party, and that those outcomes therefore differ significantly from those that would be expected under the majorities-rule explanation—and of course differ in the ways hypothesized by the conditional party government explanation. This agenda is substantial, and in this article we examine the House of Representatives in the 104th Congress with respect to the first two steps. We begin with a brief account of the contrasting perspectives, turning then to the evidence that the 1994 elections have provided. The theory section offers broad outlines of the contrasting perspectives; the evidence section provides the basic story; subsequent sections provide more detailed theoretical developments addressed to particular aspects of the empirical events to be explained.

Theory

Majorities Rule

Keith Krehbiel has offered the most extensive contemporary account of the claim that internal organizations are of relatively little consequence to the basic direction of outcomes chosen by legislatures. His view is that the House, no matter how encumbered by party, committee, seniority, and other structures, rules, and norms, is first and foremost an institution governed by majority rule. The keys to this explanation of legislative policy making are two continuing exercises of majority rule. Hence, even when time and location of the actions are remote from these applications of majority rule, they effectively govern the entirety of the institution.

The first use of majority rule is the election of members to—and their anticipation of reelection at the end of—each Congress. This application of majority rule is the primary mechanism believed to hold the members responsive to and held responsible by a majority in their district. That the Republicans won a majority of the votes and of the seats in 1994 does not imply that there is a majority in the public who want what the Republicans stand for, although that is a common understanding (especially of the winners, of course, which may be the most important thing). With or without an electoral mandate being revealed, this repeated application of electoral majority rule has the presumed effect of determining what sorts of policy outcomes members would like to see chosen, due to their desire for election and reelection.

The second application of majority rule is simply that almost everything that passes the House must be voted in by pure, simple majority rule over the status quo at final passage. No matter what one's views about the internal organization in the House, this fact has genuine consequences. In the final analysis, of all policies that could be chosen by the House, only those that a majority of

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

the full House prefer to the status quo can pass.[4] In spatial settings, the requirement of finding alternatives that some majority strictly prefer to the then-current status quo tends to yield outcomes that are close to the center of preferences in the chamber. These features put a lot of constraint on what legislation can actually be enacted, leaving policy making far from the "chaos" or "anything can happen" results under pure majority rule lacking these features.[5]

Partisan theories do not deny that election and reelection (especially given the short two-year term) and the requirement of majority votes on passage exert a great constraint on outcomes that are chosen by the House—or any legislative body with these features. The characteristic of the majoritarian explanation, however, is that these features are, for all intents and purposes, entirely governing of the outcomes produced by the House. According to Krehbiel, the floor majority works its will. The majority party does not have the ability to skew policy outcomes in its favor—that is, away from the floor median and closer to the median of the majority party. If it tried to do so, it would be defeated by defections from its partisans to join with the opposition, and so on for each other internal institutional arrangement (for example, committees, special rules, etc.). Therefore, this explanation seems to us to imply two major hypotheses relevant to this discussion: policies that are passed by the House will be those favored by the floor majority and, therefore, will be located near the center of floor preferences; because the floor rules, members will invest few resources and little power in internal organizations, such as party organizations, except in so far as they help the floor achieve what it (or more accurately, what they) want more efficiently.

The first of two major problems about this centerpiece assumption is, simply, that there may be no one majority. There may be, and at least in theory there usually are, very many majorities. Even in the (empirically implausible) unidimensional case, where the median voter theorem applies, that central, strong equilibrium outcome is not the product of one, single majority, but sometimes consists of a majority formed of the most liberal half of the legislature, and sometimes of a majority of the most conservative half. In the much more realistic case of at least two policy dimensions, the range of policy alternatives may also be extensive. The key point is this: unless there is a majority to work remotely to achieve a desired policy outcome, there is little reason to expect that those actions that distantly precede final passage in time or location will be predicted on anticipation of what "the" majority wants. With many possible majorities and especially with many possible outcomes supportable by some majority, these alternative majorities could in principle be played off

[4] See Kenneth A. Shepsle and Barry R. Weingast, "Institutionalizing Majority Rule; A Social Choice Theory with Policy Implications" *American Economic Review* 72 (May 1982): 367–71 for proof.

[5] See Richard D. McKelvey, "Intransitivities in Multi-dimensional Voting Models and Some Implications for Agenda Control," *Journal of Economic Theory* 18 (June 1976): 472–82; and Norman Schofield, "Instability of Simple Dynamic Games," *Review of Economic Studies* 45 (October 1978): 195–211.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

against each other, especially in remote settings like committee hearing rooms. The question, therefore, is whether the aphorism that House majorities are hard to attain and harder to maintain has any substance.

The second major problem is that, even if there were a single floor majority, there is no "it" to the majority, but only a "they." That is, the floor majority is no more than a collection of preferences, perhaps expressed in votes. Like all collectivities, collective action problems are endemic. While this is true of any coalition in legislatures, a floor majority is unlike a partisan majority (or certain other potential legislative coalitions) because the floor majority has no organization to it, while the political party does. To use the language of Gary Cox and Mathew McCubbins, no one on the floor can be expected, even in principle, to "internalize the externalities" of the majority.[6] That is, no one finds it in their interest to act on behalf of the floor, as the Speaker, majority and minority leaders, and others find it in their interests to act on behalf of their party and its collective interests.[7] Thus, even if there is a majority on the floor, it is unlikely to act as a collective, and it is especially unlikely for anyone to act in its collective interests in settings remote in time or place from voting on the floor.

Conditional Party Government: Internal Structures Matter

The alternative view is that the various internal rules, procedures, and traditional practices that are so extensive in the House have genuine consequences. Both the preceding and the current explanations assume that rules matter, but for the majorities explanation, the only rules of consequence for outcomes are those governing the election of members and the passage of legislation on the floor. Advocates of that theory would argue that additional rules (such as those defining committees, jurisdictions, House and party leadership, and the like) may have consequences, but only those consequences designed to ensure that the floor majority is able to achieve its desired outcomes more efficiently or effectively. The claim we advance is that under specifiable conditions these internal rules are empowered and employed to realize outcomes different from what would happen in their absence.

The most notable among the internal structural features in virtually all legislatures is the political party. While the U.S. House might have a much stronger web of formal rules than the Senate, both chambers are organized and otherwise structured by political parties. The partisan affiliation of legislatures is often, indeed usually, associated with substantial differences in policy preferences. While less true in the United States than in many democracies, partisan differentiation is still substantial, and it is widely believed that policy cleavages

[6] Gary W. Cox and Mathew D. McCubbins, *Legislative Leviathan* (Berkeley: University of California Press, 1993).

[7] Indeed, that the Speaker is far more likely to be thought of as the leader of the majority party than as the leader of the House of Representatives speaks clearly about this point.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

have strengthened substantially in the last few years.[8] Further, members invest significant resources in partisan institutions in Congress, empowering a wide variety of party offices and procedures from leadership through whip to conference/caucus organizations, and so on. (These, of course, are the primary subject of this analysis.) Finally, partisan votes are commonplace in legislatures. Even in the U.S. Congress, strict party votes always organize the House, and party unity votes are increasingly common (and often increasingly sharply dividing the two parties) on a wide range of substantive and procedural matters. Our basic argument is that as partisan-based elections increasingly elect members whose policy preferences are similar within and differentiated between the two parties, these members choose to strengthen partisan organizations within the House, and these leaders and organizations with enhanced resources are employed to seek to realize the collective partisan interests of members. These electorally-induced, party-cleaving policy preferences are often thereby effectuated in the policy agenda and at last realized in increased party divisions in voting on the floor.[9]

This explanation is called "conditional" party government. The word conditional simply means that the nature of its predictions depends upon the distribution of policy views in the full House and between affiliates of the two parties. Thus the clearer there is a majority-party viewpoint—that is, the more homogenous are the preferences of the majority party and the more distinct they are from the policy views of the minority—the more there should be a party effect. Moreover, the explanation has two different kinds of predictions. One concerns resources. As noted, our hypothesis is that, as the condition is increasingly well satisfied, partisans are increasingly likely to expand the powers granted to party leadership and organizations, and to increase the resources channeled to them to act on those powers. This hypothesis contrasts with that of the floor-majorities explanation, in which there is no reason for individual members to give up their resources to partisan institutions, rather than use them for their own purposes or for purposes designed to make the floor majorities' outcomes realized more easily. These resources, in our account, are provided to assist partisans to realize their collective interests and thereby to solve collective action problems within the party (and not within the full chamber).

Some of these collective interests might be shared by both parties as collectivities. More often, of course, the parties, as collections of affiliates, seek different ends. Indeed, that is necessarily the case when the condition is fully satis-

[8] For evidence, see Aldrich, *Why Parties*?

[9] It is, of course, quite correct that observing increased party-line voting in a legislature does not demonstrate that partisan organizations within the House are strengthening (see below for elaboration and see the Appendix for formal demonstration). It could be, as Krehbiel argues in "Where's the Party?" merely a coincidence, because members are voting their electorally induced policy preferences. It is not, however, a mere coincidence that the electorate induces cleavages between affiliates of the two parties. Rather, these are the consequences inter alia of partisan institutions, albeit institutions that are electoral rather than internal to the House.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

fied. The majority party would prefer outcomes away from the center on the floor and toward the center of its members, while the minority party would prefer just the opposite.[10] Thus, in addition to expecting that partisan affiliates will empower and enrich party institutions when the condition in conditional party government is increasingly well approximated, we would also expect that the majority party, because it is the majority party, will be able to use its majority status to empower and enrich its own partisan mechanisms more than can the minority party.

The point of strengthening intralegislative partisan mechanisms is to try to achieve what it is in the collectively shared interests of the party to achieve. We noted that the two parties may share incentives to seek to control the agenda so that issues are defined in terms of partisan cleaving dimensions, rather than along other possible lines. In addition, we would anticipate that when the condition in conditional party government is reasonably well approximated, each party would empower its leaders to try not only to control the agenda but also to obtain policies along that dimension that are within the range of policies preferred by its members. Because the condition is approximately satisfied, that means that to the degree that policies are closer to the center of one party, they will be farther from the center of opinion in the other party. Since it remains true that any bill must eventually be voted in over the status quo by at least a simple majority of members in order to pass, the center of the full chamber exerts its own pull here. Unlike the floor majorities explanation, however, the conditional party government explanation implies that the attractive force of the center is balanced to a degree by the pull of the parties, typically the majority party in particular. Thus, this explanation anticipates that policies that will be chosen will be somewhere between the center of the floor and the center of the majority party. Just where in that range the final outcome will be located depends, inter alia, on the degree to which the condition in conditional party government is satisfied and on how much greater the strength in power and resources the majority party is compared to the minority.

In sum, given that the condition in conditional party government is reasonably well satisfied, we can identify three hypotheses that contrast the floor majority with conditional party government explanations. First, members of at least the majority party allocate increased power and resources to the party leadership and related institutions of the party-in-government, and they expect that their leaders will employ both the extant and new powers and resources more often. The floor majorities explanation would imply that granting such resources to partisan institutions is wasteful and extracts opportunity costs

[10] Note that such a conclusion necessarily requires some degree of party cleavage. Otherwise, if "Democrat" and "Republican" carried no policy differentiation, and thus the two party memberships were distributed identically to each other and thereby the whole House, then both would want collectively just what the full House would want collectively. But that is also, of course, to say that the condition in conditional party government is entirely unsatisfied.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

from its members, unless they happen to be used to achieve nonpartisan outcomes favored by floor majorities.

Second, if the conditional party government explanation is true, the majority party will capitalize on its majority status, and it will have and allocate more power and resources to its party than the minority will be able to allocate for its uses. If the floor majorities explanation holds, then either there should be no such resource allocations, or both parties should put them to use to achieve nonpartisan policies favored by floor majorities.

Third, if the conditional party government explanation holds, then policies should be chosen that are between the center of the majority party and the center of the full House. This result would be expected to obtain only on the subset of issues that were important to the parties, with their conflicting preferences rooted in their respective electoral coalitions. If the floor majorities explanation holds, then the policies adopted should be those at the center of the full chamber.

Clearly it will not be possible to offer in this or any other limited account a full test of these competing perspectives. The discussion below, therefore, will concentrate on the first two hypotheses offered here, leaving the third hypothesis for future analysis. Even though the test is not complete, however, we believe that important matters are addressed here and that the results provide some discrimination regarding the accuracy of these theories. As we have just shown, the majoritarian and partisan theories have different expectations about the allocation of power to party structures and the relative influence of the majority party leadership compared to the minority. In the sections that follow, we seek to use these contrasting perspectives to make sense of the changes in rules and procedures adopted by the new Republican majority after the 1994 elections.

The New Republican Majority and Institutional Change

The institutional changes introduced by the Republicans were remarkable in their number and scope. The only comparable set of changes during the last eighty years—those imposed by the Democratic reformers of the 1970s—may have been as far-reaching, but they were enacted over the course of a number of years. The GOP majority passed numerous measures profoundly affecting the power relationships within their party and the House at large, all within the matter of a few weeks. In this section we will describe and discuss some of the most salient examples.

Committees and Their Chairs

Selection of chairs. Until the 1980s, the House Republicans persisted in strictly observing the seniority norm as the basis for selecting committee leaders. Then in 1986, after a decade of observing the Democrats move away from

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

strict seniority, the GOP adopted some rules changes that followed suit in certain ways.[11] In particular, like the Democrats, they permitted the party leader to name the Republican members of the Rules Committee. In succeeding Congresses, they also experienced efforts within the GOP Conference to block certain members from appointment as ranking members of individual committees.[12] After the 1994 elections, however, a much larger departure from previous practices occurred.

Within a week of the surprise result of the 8 November elections, rumors began to circulate that some Republican members who were in line by seniority for major committee chairmanships would be bypassed. Almost immediately after the existence of their new majority was confirmed, observers began to speculate whether Newt Gingrich would use his power over membership on Rules to bar Gerald Solomon of New York, then ranking minority member of the committee, from becoming chair. Solomon had briefly opposed Gingrich in 1993 for the right to succeed Bob Michel (IL) as party leader, but he quickly withdrew after it became clear that he had no chance.[13] Gingrich, however, did not seek to punish his former adversary, and Solomon was announced as the new chair on 16 November.[14] The same day, on the other hand, the new acting chairman of the Appropriations Committee was announced—Robert Livingston (LA), who ranked fifth in committee seniority.[15] The second ranking Republican was John Myers (IN). "According to aides, Myers was not considered the right person to initiate the huge budget cuts favored by Republicans. Also, some Republicans were upset by Myers's vocal opposition to the Penny-Kasich deficit reduction package," which had been rejected by the House earlier in the year.[16] The member next in line after Myers—Bill Young (FL)—was interested in the post, but reportedly backed off after Livingston emerged as the leadership's favorite, and fourth-ranking Ralph Regula of Ohio was also skipped.

By the end of the week after the elections, it was also confirmed that the senior Republican on two other major committees, Energy and Judiciary, would be bypassed.[17] To his misfortune, it was the same person who suffered on both committees: Carlos Moorhead (CA). Moorhead had been ranking member on Energy in the previous Congress and was second in seniority to the retiring chair of Judiciary. On Energy, Thomas Bliley (VA) was chosen to be

[11] See Rohde, *Parties and Leaders in the Postreform House.*

[12] William F. Connelly, Jr. and John J. Pitney, Jr., *Congress' Permanent Minority?* (Lanham, MD: Rowman and Littlefield, 1994), 26.

[13] Ibid., 58–59.

[14] Gabriel Kahn and Timothy J. Burger, "Solomon, Livingston Win Chairs," *Roll Call*, 17 November 1994, 1, 42. They report that Gingrich permitted Solomon to head Rules after consulting other Republican members, and then only after "he had a 'come to Jesus' meeting" with Solomon.

[15] The committee needed an acting chair because the ranking member, Joe McDade (PA) was under federal indictment and could not succeed to the chair under Conference rules.

[16] Kahn and Burger, "Solomon, Livingston Win Chairs," 42.

[17] Karen Foerstel, "Gingrich Flexes His Power In Picking Panel Chiefs," *Congressional Quarterly Weekly Report*, 19 November 1994, 3326.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

chair, and on Judiciary Henry Hyde (IL); each was next in committee seniority behind Moorhead. With regard to Energy, a staff member said that Moorhead "doesn't project the right image. He's not an activist and we need an activist person." Regarding the other committee, a "Republican spokesman" said that the "leadership will want a strong, articulate spokesman for chairman of judiciary," because a large portion of the "Contract With America" (the ten-point legislative agenda that had been endorsed by almost all GOP candidates for the House) would go through the committee.[18]

This was the most significant departure from seniority in the selection of committee leaders since the Democrats dumped three chairs after the 1974 elections. Beyond their occurrence, however, other aspects of these decisions are striking. Unlike the case of the Democrats twenty years earlier, this was not an instance in which pressure from freshman insurgents played a major role. This was clearly a leadership choice, imposed from the top after consultation. The decisions were announced by Gingrich and the top leadership. Moreover, the timing of the decisions—within a week after the election—demonstrates their source. Virtually none of the newly elected freshmen had come to town; they could not have been consulted about the choices, much less have initiated or urged them. Well before the Republican Conference could meet, and before any formal change in the method of choosing committee chairs could be considered, Gingrich and his allies simply asserted the power to choose the chairs of the committees that were most important to them. "He [Gingrich] totally dominated the process," Commerce Chair Bliley said.[19]

Powers. Significant changes were also made in the powers of committees and their chairs, directly and indirectly. Three full committees (District of Columbia, Merchant Marine and Fisheries, and Post Office and Civil Service) were abolished, with their jurisdictions parceled out to other committees. Because of these decisions, and because of new rules that limited all but three committees to a maximum of five subcommittees each and limited members to a maximum of two committees and four subcommittees, twenty-five subcommittees were also eliminated. In addition to the committee slots lost because of the abolition of the three committees, the GOP reduced most other panels somewhat, for a total net loss of 106 committee slots (12 percent) from the total of 892 in the 103d Congress.[20] The staff allocations for committees were reduced by an average of one-third, and committee and subcommittee chairmen were given a term limit of three terms. The ability of the Speaker to refer bills simultaneously to more than one committee was eliminated, although sequential and

[18] Craig Karmin, "Gingrich Ignores Seniority in Selecting Key Chairmen," *The Hill*, 16 November 1994, 9.

[19] Richard Wolf, "Speaker's Team Concept Has Put his House in Order," *USA Today*, 8 March 1995.

[20] These calculations are based on comparisons of the committee rosters listed in the supplements to *Congressional Quarterly Weekly Report* published on 1 May 1993 and 25 March 1995.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

split referrals were retained. This change would reduce the ability of committees to bottle up bills they did not favor.

The discussion of these new arrangements, during and after their adoption, makes clear that they were intended to reduce the ability of the committee system to serve as an independent locus of power. As William Connelly and John Pitney have pointed out, there has been for some time a conflict among House Republicans between "party activists" on the one side and "committee guys" on the other. "By 1993, committee-oriented members had declining influence within GOP ranks."[21] That year the Conference imposed a six-year term limit on ranking committee members, and unsuccessful efforts were made by activist conservatives (including Gingrich) to depose a number of ranking members. In the 104th Congress, proponents of the reduction of committees like Robert Walker (PA), probably Gingrich's closest ally in the House, believed that "the proliferation of committees and subcommittees has been a detriment to the legislative process. . . . Our system will prevent members from getting locked into the status quo."[22] The supporters of these changes recognized that power would flow away from the committees to Gingrich and the leadership, but as one of the more ideological of the new committee chairs—Don Young (AK)—said, "I believe the House can't run as a total democracy."[23]

Some new rules more directly affected committee chairs. One abolished proxy voting in committees. This practice had always irked Republicans, because it had permitted Democratic chairs to create quorums and to control the outcomes of votes when no other members of their party were physically present at committee meetings. Ending proxy voting would, in Robert Walker's words, "cut down on the number of powerful little fiefdoms."[24] On the other hand, new rules granted committee chairs the power to appoint subcommittee chairs (rather than following seniority rights as the Democrats had) and control over all committee staff, with none allocated directly to subcommittees. Some subcommittee chairs had opposed the staff change, but "Gingrich argued that full committee chairmen should have control over the direction of their panels."[25] The new majority whip, Tom Delay of Texas, said, "This notion that we've got to have 100 and some odd [subcommittee] fiefdoms is over. [Subcommittee chairs] need to understand that they're going to be tied to the chairmen."[26] Another rule transferred the power to try to block passage of limitation amendments to appropriations bills (which prohibit expenditure of funds for specified purposes) from the subcommittee chair who would be managing the bill on the floor to the Republican floor leader. "The change further erodes

[21] Connelly and Pitney, *Congress' Permanent Minority?* 26.

[22] Guy Gugliotta, "In New House, Barons Yield to the Boss," *Washington Post*, 1 December 1994.

[23] Ibid.

[24] Ibid.

[25] Mary Jacoby, "For Gingrich, 2002 or Bust," *Roll Call*, 15 December 1994, 14.

[26] Jonathan D. Salant, "New Chairmen Swing to the Right; Freshmen Get Choice Posts," *Congressional Quarterly Weekly Report*, 10 December 1994, 3493.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

authority of subcommittee chairmen, who may have a vested interest in their bills that is at odds with the leadership."[27]

Relationships between committees and the leadership. Gingrich argued that chairmen should control their committees, but the operation of the new arrangements makes clear that they were to have control relative to other committee members, not relative to the leadership. Reports indicate that Gingrich played a more active role in committee activities than any other Speaker in over eighty years. Before the subcommittees of a committee could be consolidated and their chairs named, the chair of the full committee had to consult with Gingrich. When it came time for William Clinger (PA), chairman of the Government Reform and Oversight Committee, to appoint subcommittee chairs, he gave two of the posts to freshmen "at the behest of Gingrich, according to [a] Clinger spokesman."[28] To do this, Clinger had to skip over two more senior committee members.

Another Gingrich practice that served to undermine committees as independent loci of power was the use of task forces. Gingrich did not, of course, originate this practice; the Democratic majority had employed task forces for a long time.[29] Gingrich's use of them was, however, more extensive. Five task forces were formed early in the 104th to deal with elements of the "Contract with America," and others were created to address guns and immigration policy. By the end of March, the total had reached fifteen, and GOP freshmen had announced their intention to set up four more to consider abolition of specific cabinet departments.[30] The Speaker's spokesman, Tony Blankley, said that Gingrich saw use of task forces "as a device for finessing some institutional obstacles to decision-making."[31]

Reports indicate that Gingrich also became actively involved in committees' legislative activities, including the choice of which bills to consider. "The chairmen could not schedule so much as a subcommittee hearing without first asking the permission of the House leadership." Staff of the Speaker and the majority leader "hold twice-weekly meetings with top committee aides to see that the panels are complying with the leadership's master schedule and to seek consistent themes in the legislative actions."[32] However only Gingrich and Majority Leader Dick Armey (TX)—and not committee chairs or staff—had regular access to the leadership's computerized scheduling system.[33] Unlike the

[27] Mary Jacoby, "New GOP Rules Lock In Power," *Roll Call*, 8 December 1994, 24.

[28] Janet Hook, "House Republicans Rehearse Taking the Reins of Power," *Congressional Quarterly Weekly Report*, 17 December 1994, 3548.

[29] Barbara Sinclair, *Majority Leadership in the U.S. House* (Baltimore: Johns Hopkins University Press, 1983), 142–46; Rohde, *Parties and Leaders*, 87–88.

[30] Deborah Kalb, "The Official Gingrich Task Force List," *The Hill*, 29 March 1995, 8; Kalb, "Government by Task Force: The Gingrich Model," *The Hill*, 22 February 1995, 3.

[31] Kalb, "Government by Task Force," 3.

[32] Thomas Rosenstiel, "Why Newt Is No Joke," *Newsweek*, 10 April 1995, 26.

[33] Richard Cohen, "The Transformers," *National Journal*, 4 March 1994, 531.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

practice when Democrats were in the majority, staff of the Speaker began attending the markups of bills in the Appropriations Committee and interacting with committee staff during the decision making.[34]

"Each Republican member of the Appropriations Committee . . . was required to sign a 'letter of fidelity.' [It] pledged the members to cut the budget as much as Gingrich wanted."[35] In February, Appropriations Chairman Livingston communicated to the thirteen subcommittee chairs that the Speaker had just asked him to make over $10 billion in recissions to pay for defense and disaster supplementals. "Like a good soldier, . . . I went and did it," he said. Indeed, Livingston considered himself a Gingrich lieutenant and indicated that he saw the Speaker in probably "12 meetings per week."[36] The domination of the chair selection process noted above was a constant reminder that chairs set a course independent of the Speaker's lead at a great risk. Bill Archer (TX), chairman of Ways and Means, said: "He understands and trusts that I am going to be a part of the leadership, and not a maverick."[37]

Participants emphasize that Gingrich was consultative and not dictatorial, but there are indications that he and his allies could resort to coercion when it seemed needed. When one committee chair told the Speaker that he would not be able to meet the deadline that had been imposed for consideration of one of the elements of the Contract, "Gingrich dropped his normally jovial manner. 'If you can't do it,' he said coldly, 'I will find someone who will.'"[38] When John Myers considered challenging Livingston for the chairmanship of Appropriations because he thought his seniority entitled him to the post, he backed down "when he was reportedly notified his challenge would cost him a subcommittee chairmanship."[39]

Leaders' Powers

Committee assignments. In addition to reducing the independent power of committees and their leaders, Gingrich and the Republican leadership proposed rule changes that enhanced their own powers. Surely the most striking of these was the adoption of a new committee assignment system. The House Republicans' Committee on Committees had been established in the aftermath of the revolt against Speaker Joseph Cannon, and at least since the 1950s through the late 1980s it retained the same basic structure.[40] Each state that had a Republican in its House delegation had a seat on the committee, with the

[34] Jennifer Senior, "Gingrich Immerses Self in Key Committees," *The Hill*, 1 March 1995, 3.
[35] Rosenstiel, "Why Newt Is No Joke," 27.
[36] Senior, "Gingrich Immerses Self in Key Committees," 3.
[37] Wolf, "Speaker's Team Concept Has Put his House in Order," 5A.
[38] Rosenstiel, "Why Newt Is No Joke," 27.
[39] Gabriel Kahn, "Republicans Pick New Committee Chairs," *Roll Call*, 8 December 1994, 14.
[40] Nicholas A. Masters, "Committee Assignments," *American Political Science Review* 59 (June 1961): 345–57.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

state's members choosing the representative. The committee employed a weighted voting system, with each member casting as many votes as there were GOP representatives in his or her delegation.

This system granted decisive influence over committee assignments to the senior members of the largest GOP delegations, like New York and California. Perhaps more important, it deprived the leadership of any impact beyond what could be garnered through persuasion. In 1988, however, the Republicans decided to move away from this historical set of arrangements, and after the deliberations of two study committees established by the GOP Conference, they adopted a number of party reforms.[41] One of these set up a new Committee on Committees, with only twenty-one members. As in the previous system, the members had as many votes as there were Republican representatives from their state. The significant innovation here was to grant a substantial formal impact to the two top party leaders: the minority leader was given twelve votes, and the whip six. Newt Gingrich, then only a middle-seniority activist member who was not yet in the leadership, was an active supporter of this change. "It makes the leadership the balancing weight. . . . It's part of a series of steps House Republicans have been taking to increase Michel's capacity to lead."[42]

Six years later, Gingrich personally revisited the design of the GOP's committee assignment system. Eight days after the election, he announced that there would be a new Committee on Committees, with a drastically revised allocation of votes.[43] After discussion, the new committee, called the Steering Committee, was expanded slightly and the plan was adopted by the GOP Conference early in December 1994. There were a total of thirty votes (down from 196 in the previous Congress), and only two of the committee's twenty-five members had more than one vote: Gingrich with five and Majority Leader Armey with two. Thus in the 103d Congress, Republican Leader Michel cast 6 percent of the votes on the Committee on Committees; Gingrich now had 17 percent. In addition, nine votes were allocated to members elected from geographic regions, four to chairs of major committees, two to representatives of the sophomore class and three to freshmen, one to a representative of small states, and four to other party leaders.[44] The new plan drastically reduced the voting power of representatives from big states like Florida and California, but there was little opposition once Gingrich announced he wanted the new arrangements. Bill Young, the Florida representative on the old Committee on Committees, said that the plan, "does tend to dilute Florida's strength. But he

[41] Rohde, *Parties and Leaders*, 136–37.

[42] Mike Mills, "GOP Selects Leaders: Michel, Cheney, Lewis," *Congressional Quarterly Weekly Report*, 10 December 1988, 3475.

[43] Timothy J. Burger, "Ax to Fall on Three House Panels: DC, Post Office, Merchant Marine," *Roll Call*, 17 November 1994, 1.

[44] Salant, "New Chairmen Swing to the Right," 3494. The committee chairs are from Appropriations, Budget, Rules, and Ways and Means; the leaders are the whip and the chairs of the Conference, the Policy committee, and the Campaign Committee.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

said he will support it because Gingrich wants it."[45] During conference consideration, only two members spoke against it.[46]

The Rules Committee. Another enhancement of Gingrich's power came not from new rules, but as a consequence of heading the new majority. That was dominant influence over the Rules Committee. Over the previous decade and a half, the Democrats had increasingly used Rules' control over the terms of floor debate to try to advance their legislative and political agendas.[47] The Republicans had vigorously complained about these practices, which restricted the amendments the GOP could offer and imposed other limitations, and they had promised that if they achieved a majority such constraints would be a thing of the past. After their victory, these pledges were reiterated. In November, Chairman-designate Solomon said: "The liberal Democrat leadership was so liberal and far to the left they couldn't afford to let bills come to the floor under open rules because their own conservative Democrats would have sided with the Republicans. . . . We don't have that situation. We are not factionalized in our party."[48] As a consequence, he stated that he planned to grant open rules (permitting all germane amendments) on 75 percent of the bills considered by Rules in 1995.

This would have been a substantial change, because by GOP calculations the proportion of open rules granted had dropped from 85 percent in the 85th Congress to 30 percent in the 103rd.[49] Indeed, Gingrich stated in November that "[w]e very specifically made the decision early on in our Contract with America that we would bring up all ten bills under open rules."[50] However, when the first bill from the Contract came to the floor under an open rule, the House considered it for five days (disposing of only 22 of 168 proposed amendments) and then temporarily set it aside. Whip Tom Delay accused the Democrats of "dilatory tactics," and Solomon warned: "It looks like we're going to have to increasingly restrict rules if the Democrats won't cooperate."[51]

[45] Mary Jacoby, "Big States Big Losers in Gingrich's Plan for Committee on Committees," *Roll Call*, 1 December 1994, 3.

[46] Mary Jacoby, "Conference Adopts Gingrich's Steering Panel Setup," *Roll Call*, 8 December 1994, 22.

[47] Stanley Bach and Steven S. Smith, *Managing Uncertainty in the House of Representatives* (Washington, DC: Brookings Institution, 1988); Rohde, *Parties and Leaders*; Barbara Sinclair, "House Special Rules and the Institutional Design Controversy," *Legislative Studies Quarterly* 19 (November 1994): 477–94.

[48] Mary Jacoby, "'Chairman' Solomon Says He Plans to Grant Open Rules on 75 Percent of Bills Next Year," *Roll Call*, 28 November 1994, 18.

[49] Jonathan D. Salant, "Under Open Rules, Discord Rules," *Congressional Quarterly Weekly Report*, 28 January 1995, 277.

[50] Mary Jacoby, "Six Weeks Into Majority, GOP Asks: How Open Should Open Rules Be?" *Roll Call*, 13 February 1995, 20.

[51] Salant, "Under Open Rules, Discord Rules," 277.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Contrary to the implications of these statements, however, restrictive rules did not affect only liberal Democrats; nor did resistance to them stem only from that source. In March, for example, Republican moderates expressed anger over the restrictions in the rule on the recissions bill and threatened to vote against similar rules in the future.[52] Then on the tax-cut bill, a conservative Democratic amendment that was opposed by the GOP leadership was not permitted a vote. To secure enough Democratic votes to approve a rule on the bill, the GOP leadership was compelled to present a revised version.[53] Disputes over rules also led to debates in an effort to score political points in the media regarding what proportion of rules were open or restricted. As of early April, the Republicans claimed that 72 percent of the rules were open; Democrats said it was only 26 percent. The disagreement stemmed partly from conflict over what to count as a rule, but it also resulted from Solomon's changing the definition of what constituted an open rule from that which he had previously used and which the Democrats employed for their count.[54] Whatever the method of counting that is used, however, it is clear that the Republican leadership was willing to use their control of the Rules Committee to affect the options that could be considered on the floor and thereby advance their legislative agenda.

Institutional Change: Genesis and Consequences

The discussion in the preceding section is not an exhaustive account of institutional changes under the GOP majority, but it does cover the main points. We now move to a consideration of why these changes were possible, and what political and policy consequences can be anticipated, both from the point of view of the architects of the new arrangements and of the theoretical accounts we have discussed.

Initial Assessments of the Reforms and their Theoretical Accounting

The thrust of the reforms discussed in the last section was consistently in the direction of shifting power toward the Speaker, often at the expense of committees and subcommittees. In this and succeeding sections, we consider the implications of these reforms for the theories we have discussed. That the changes often reduced the power of committees, for example, implies that theories about the impact of structure on Congress that require strong committees are less plausible explanations of the 104th Congress than of the 103rd.

With respect to the partisan and majoritarian theories, both Krehbiel and we have pointed out that no one test will be conclusive. As Krehbiel has noted, for example, the observed increases in party voting could be due to the "coinci-

[52] Mary Jacoby, "Centrists In GOP Threaten On Rules," *Roll Call*, 20 March 1994, 1.

[53] Mary Jacoby, "Three-Quarters 'Open,' or Two-Thirds 'Closed'? Parties Can't Agree on How to Define Rules," *Roll Call*, 13 April 1995, 15.

[54] Ibid., 7.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

dence" of Democrats increasingly wanting to express more liberal preferences than Republicans, as well as or instead of reflecting the increased strength of party organizations. On the other hand, we demonstrated that patterns of votes (such as party-line voting) do not necessarily distinguish between choices near to the center of the whole House from those near the center of the majority party.[55] What will be decisive, therefore, is a series of observations over a variety of circumstances and behaviors.

We are aided in our evaluation by the series of hypotheses outlined above that distinguish between the two accounts. In our view, the increasingly rich web of evidence—part of which we have presented here—accumulates to provide greater corroboration for conditional party government than for other explanations, including the majoritarian theory. This web of evidence supports the following sets of observations.

First, the changes in rules and procedures discussed above are data that apply directly to the first and at least partially to the second of the hypotheses distinguishing the two explanations. The Republican majority and its leaders chose to invest considerable resources in altering rules and procedures. If these were ineffective in helping them achieve desired outcomes, why expend such resources? Of course, that these new arrangements were relatively consistent in direction strongly suggests that they were designed to undo things that previous Democratic party or bipartisan majorities had chosen to enact, and to create a stronger majority-party leadership.

Second, as to motivation, Republicans consistently referred to the Democratic House as having been far too liberal. They were even more consistent in emphasizing that they were reforming for the purpose of achieving Republican—indeed Gingrichian—objectives. Furthermore, they used words like "revolution" or "profound transformation" repeatedly. Invariably, they spoke of policy changes as the motive they had for their decisions to invest considerable resources in reform.

Third, Krehbiel's critique of party theory is primarily a critique of the position that intralegislative party rules and procedures are consequential for policy outcomes relative to floor majorities. Parties may (or may not—he is silent on this point) matter in elections, but elections serve to shape in great part the preferences representatives want to realize in the House. His critique, therefore, is only that intrahouse party procedures do not lead representatives to vote contrary to those preferences shaped by forces, perhaps electoral and even partisan, outside the chamber.

The "Contract with America" and its consequences illustrate, perhaps far more clearly and substantively than usual, that such a view is untenable. The 1994 House elections were based, at least in some part, on the provisions of

[55] John H. Aldrich and David W. Rohde, "Theories of the Party in the Legislature and the Transition to Republican Rule in the House" (paper delivered at the Annual Meeting of the American Political Science Association, Chicago, 1995), appendix.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

the "Contract." About as close to a European-style party program as found in American history, "The Contract" helped shape the elections, thereby helping to shape the preferences members wanted to realize. The "Contract" took on much greater importance after the election than before, particularly in public forums and news outlets. The new majority, and especially Gingrich, used it to justify many of their actions from November 1994 through the first 100 days of the new Congress. The "Contract," thus, was in part a justification for some of the institutional changes (indeed it included some of the reforms), and it was used to try to constrain the majority party members to hold the party line behind the substantive proposals contained in it. The point, therefore, is that in this case the preferences about policy outcomes differentiated by party were endogenous (that is, partly shaped by forces within the House); and indeed the elections were in part endogenous to this effort.

The most notable results of the elections were, of course, the creation of Republican majorities in the House and Senate. We will see evidence below that disproportionately more moderate Democrats lost or left their seats in the 103rd Congress, and disproportionately conservative Republicans won. The consequence was that one of the major conditions for the existence of conditional party government—intraparty homogeneity on policy, and interparty division—was strengthened. Even the previous state of this condition in the mid-1980s was sufficiently strong to generate the original observations about conditional party government.

Conditional party government roughly requires as its basic condition that the majority party have sufficient agreement on what it wants to achieve to empower its leaders and provide them with enough resources to achieve those outcomes. We ordinarily see such realization manifested in party voting, something quite frequent in the 104th Congress. But, as noted earlier, agenda control may be as important as preference realization. It may take leadership effort and the structuring of the choice situation to help ensure that party differences serve as the bases for proposal formation and enactment, rather than other alternative coalitions and their differences serving as those bases. A number of the GOP's reforms seem to have been designed to help control the agenda, to ensure that the Speaker's—and presumably the Republican majority's—priorities defined the terms of debate.

Conditional Party Government Revisited

The intended consequences of the GOP reforms. Based on an evaluation of the evidence, we conclude that the dominant purpose of the rules changes adopted by the new Republican majority was to strengthen the ability of the party leadership to shape the House agenda to their advantage and to increase party cohesion on policy. The changes regarding committees are a central feature of this effort. In this century, committees have been the principal competitors for power with the leadership, and the revolt against Speaker Cannon and

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

subsequent developments sharply tilted the balance in favor of the committees.[56] We have argued that Gingrich and his allies wanted to reduce the independent power of committees and their chairs, especially as roadblocks to policy change. For that reason the dispersion of power had to be reduced, and centralization was the order of the day.

In most instances this process undermined full committees and especially their chairs. The personal domination of the selection of major chairs by Gingrich and the violation of seniority in a number of instances sharply reduced committee independence and put chairs in a more subordinate relationship to the party leadership. The seniority system was the bedrock of committee independence, and as Nelson Polsby, Miriam Gallaher, and Barry Rundquist have pointed out, in this regard it is basically a dichotomous variable.[57] If seniority is only a partial influence on chair selection, chairs must become more responsible to the other sources of influence over the choice. Other changes that weakened chairs include the ban on proxy voting and limits on the chairs' terms. We find one aspect of this last change particularly interesting, for the GOP also adopted a limit on the Speaker's term, but it was eight years rather than the six chosen for chairs. Gingrich had endorsed the idea of a limit for himself (after the proposal had begun to gain favor among the freshmen), but had proposed the longer term on the grounds that he should have the same limit as the president, because he was the head of a coequal branch of government.[58] It strikes us, however, as more than coincidence that this arrangement also means that replacements for all of the committee chairs in the 104th Congress would be chosen while Gingrich was still Speaker, giving him significant leverage over the behavior of members who aspired to those posts.

Not all of the new arrangements, however, disadvantaged the chairs. Two that worked in the other direction were the ability of full committee chairs to choose subcommittee chairs and to depart from seniority in the process, and the right of chairs to appoint all subcommittee staff. But these cases also served to undermine decentralization, in this case to subcommittees. Power here was shifted up to the full committee level, which had already been constrained by the other reforms we have discussed. Furthermore, other changes also reduced the dispersion of power to the committee system as a whole, including the abolition of three full committees, twenty-five subcommittees, and over 100 committee slots; the use of task forces as alternatives to committees; and the increased involvement of the party leadership in the substantive functioning of the committees.[59]

[56] Joseph Cooper and David W. Brady, "Institutional Context and Leadership Style: The House from Cannon to Rayburn," *American Political Science Review* 75 (June 1981): 411–25.

[57] Nelson W. Polsby, Miriam Gallaher, and Barry Spencer Rundquist, "The Growth of the Seniority System in the U.S. House of Representatives," *American Political Science Review* 63 (September 1969): 787–807.

[58] Mary Jacoby, "For Gingrich, 2002 or Bust," *Roll Call, 15 December 1994, 1.*

[59] An analogous example, which we did not mention above, was the abolition of 28 "legislative service organizations" (commonly known as caucuses), like the Democratic Study Group. These organizations served the interests of members with shared concerns (some being bipartisan, as with the Space

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

The instances in which Gingrich chose to dominate the selection of committee chairs involved those panels that were most important to his legislative agenda, both during the "Contract" period and later. This was not a case of replacing moderates with conservatives, but rather replacing "committee guys" with activists who were more committed to the leadership's priorities on matters within their committee's jurisdiction.[60] Control over the Rules Committee permitted Gingrich great leeway in shaping the specific choices offered on the floor, and the Speaker's sharply increased influence over committee assignments enhanced his influence with the rank and file regarding policy choices. Members who wanted desirable committee assignments knew that Gingrich would have an important, if not determinate impact on their getting what they desired, thus offering them incentives to be responsive to the leaderships' wishes. Thus all of the changes in institutional arrangements that we have considered point in the same direction: toward a less decentralized House with much more power concentrated in the majority party leadership.

Given this characterization of the goals of the Republican organizational change, we must now turn to the issue of their feasibility. Assuming for the sake of argument that the new powers granted to the leadership were consequential, we are left to answer the question of why they were delegated by the rank and file. Why leaders should want to be more powerful is not mysterious. Less clear is why the rank-and-file membership of a party would be willing to let them be more powerful, especially given the textbook view that members are independent entrepreneurs who are solely interested in reelection and independent of party.[61]

The 1994 elections and party coalitions in the House. Conditional party government depends on intraparty homogeneity (especially in the majority party), and on interparty differences. If there is much diversity of preferences within a party, a substantial portion of the members will be reluctant to grant

Caucus) and were repositories of independent expertise on issues. Their abolition removed another potential source of competition with the leadership.

[60] Indeed, Gingrich accepted the appointment of a few more moderate members as chairs, but on less consequential committees as with Benjamin Gilman of New York for International Relations. Those chairs are, however, closely watched and are often under pressure to produce legislative results that depart significantly from their own preferences and from what they would probably have sent to the floor under the old institutional arrangements. See, for example, the discussion of Gilman's role on the State Department Reauthorization bill in Carroll J. Doherty, "Gilman Under Party Pressure," *Congressional Quarterly Weekly Report*, 13 May 1995, 1335.

[61] David R. Mayhew, *Congress: The Electoral Connection* (New Haven: Yale University Press, 1974). On the "textbook" view, see Kenneth A. Shepsle, "Congressional Institutions and Behavior: The Changing Textbook Congress" in John E. Chubb and Paul E. Peterson, eds., *American Political Institutions and the Problems of Our Time* (Washington, DC: Brookings Institution, 1989). Additional perspectives on the matter of delegation will be found in D. Roderick Kiewiet and Mathew D. McCubbins, *The Logic of Delegation: Congressional Parties and the Appropriations Process* (Chicago: University of Chicago Press, 1991); and Cox and McCubbins, *Legislative Leviathan*.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

strong powers to the leadership or to resist the vigorous exercise of existing powers, because of the realistic fear that the powers may be used to produce outcomes unsatisfactory to the members in question. If, on the other hand, preferences within the party are relatively homogenous, members will be more supportive of strong leadership powers due to the reduced chance that those powers could be used against the members' interests. Similarly, the degree of interparty difference is relevant. As it increases, members of a party will be more supportive of vigorous party leadership, because the policy consequences of victory by the other party will tend to become increasingly negative.

Party homogeneity and interparty divergence had increased in the 1980s in both houses of Congress,[62] but these tendencies were strongly reinforced by the elections of 1992 and particularly 1994. Of the forty-seven GOP freshmen elected in 1992, then House Minority Leader Michel said "seven are thoughtful moderates, and the other forty are pretty darn hard-liners, some of them really hard line," creating a GOP Conference that was "the most conservative and antagonistic to the other side" that he had ever seen.[63] The 1994 elections continued this trend. Using ideological rankings of House members in the 103d Congress published by Roll Call,[64] the Democrats who retired or lost their seats came disproportionately from the middle of the ideological spectrum in the House and from the most conservative segment of the Democratic party. This left the Democrats more homogeneous, and their party's median position shifted to the left.[65]

Regarding the Republicans who were first elected in 1994, evidence during and after the election indicates that they tilted even more sharply to the right than did the Class of 1992. During the campaign, a significant proportion of GOP candidates identified with the Christian Right and its agenda. Soon after their election, many freshmen made clear that they favored radical changes in policy and in the House. As Representative-elect Sam Brownback (KS) said, the GOP leadership can "see the . . . fervor in our eyes and the revolutionary zeal."[66] For many, this zeal translates into strong policy commitments regardless of whether they are politically popular. One member of the Class of 1994,

[62] See Rohde, *Parties and Leaders*; and Rohde, "Electoral Forces, Political Agendas, and Partisanship in the House and Senate" in Roger H. Davidson, ed., *The Postreform Congress* (New York: St Martin's Press, 1992).

[63] Quoted by Connelly and Pitney, *Congress' Permanent Minority?*, 23 from Timothy J. Burger, "Bob Michel Defends Statement Labeling Frosh as 'Hard-Line,'" *Roll Call*, 16 August 1993, 1. Patricia R. Hurley and Brinck Kerr, "First Term Members in the 103rd House: Their Effects on Partisanship and Policy" (paper delivered at the Annual Meeting of the Midwest Political Science Association, Chicago, April 1995) show that freshmen of both parties in the 103rd House were more supportive of their respective parties' positions than were more senior members.

[64] *Roll Call*, 28 January 1993, 32–33.

[65] Paul R. Abramson, John H. Aldrich, and David W. Rohde, *Change and Continuity in the 1992 Elections*, rev. ed. (Washington, DC: CQ Press, 1995), 337–39.

[66] Timothy J. Burger and Mary Jacoby, "In Baltimore, Frosh Pledge 'Revolution,'" *Roll Call*, 12 December 1994, 1.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

John Shadegg (AZ) said, "The freshmen aren't interested in coming here to be reasonable and to settle for what they can get. They don't want to go along to get along."[67] Another freshman, Matt Salmon (AZ) said, "This is an ideological class . . . that really believes we were sent here to make a difference."[68]

These anecdotal data, which we believe more systematic analysis will confirm, indicate that the seventy-three Republican freshmen elected in 1994 made the GOP Conference more homogeneously conservative, shifting its center of gravity to the right. Thus the two party contingents in the House became more homogeneous, and the difference between the party centers increased and met the underlying requirements for conditional party government. Members of the majority were willing to grant strong powers to their leaders, because they had substantial consensus on policy objectives, because it was unlikely that the powers would be used toward ends of which they did not approve, and because the alternatives favored by the opposition were so unpalatable. Furthermore, these principal underlying forces were reinforced and enhanced by a couple of other conditions.

Gingrich and the freshmen: A special relationship. The willingness of the GOP Conference—or of any contingent of it—to delegate power to leaders could have been mitigated by lack of confidence in the goals and actions of particular leaders, and most especially Speaker Gingrich. It is clear, however, that for the freshmen and like-minded members, the reverse was true; they believed that Gingrich shared their aims and that he would use his authority to advance their shared cause. This confidence partly stemmed from Gingrich's activities in recruiting many of the freshmen to run and from fundraising and other electoral activities on their behalf. It also stemmed from the creation and marketing of the "Contract with America." The "Contract" was drafted by the GOP leadership, and they brought over 300 GOP House candidates together in September 1994 to sign it. It indicated to the freshmen that their leaders really wanted significant changes in policy. For example, in mid-November, Representative-elect Michael Forbes of New York said: "This year the leaders are the insurgents," and another freshman, John Christensen of Nebraska, said: "I trust the leadership with everything. . . . I trust their decision-making and their vision for the country."[69]

This close tie with the enormous freshman class (over 31 percent of the Conference by itself, and with the sophomores a majority in the 104th) gave Gingrich tremendous leverage at the opening of the 104th Congress and probably partly explains why there was so little resistance to his institutional designs. Other GOP members had to know that the freshmen would be responsive to

[67] Jeff Shear, "Force Majeure?," *National Journal*, 11 March 1995, 601–04.

[68] Jackie Calmes, "House GOP Freshmen, Unafraid of Sacred Cows, Face Moment of Truth in Balanced-Budget Talks," *Wall Street Journal*, 11 May 1995.

[69] David S. Cloud, "Gingrich Clears the Path For Republican Advance," *Congressional Quarterly Weekly Report*, 19 November 1994, 3322.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Gingrich's plans, and few of these others had any ties to the new members, making it virtually impossible to organize any opposition if they had wanted to. The freshmen trusted Gingrich. They endorsed his view, stated early in November, that the GOP had to change "from a party focused on opposition to a majority party with a responsibility for governing. That requires greater assets in the leader's office."[70] Many of them, on the other hand, distrusted the senior committee leaders who lost ground in the reforms.[71]

Gingrich reinforced his relationship with the freshman soon after the election by the way he treated them. As we noted, he included three of them on the Steering Committee, the new committee on committees, and then he used his influence on that committee to secure an unprecedented share of desirable committee assignments for freshmen. They received seven of the eleven new appointments to Appropriations, eight of the nine to Commerce, and three of the eight to Ways and Means. Majority Leader Armey was quick to point out that the last time a GOP freshman was appointed to Ways and Means was 1966; that was a Texan named George Bush. One of the freshman on the Steering Committee, Jerry Weller of Illinois, said: "Our best friend in the whole process was Newt Gingrich. The first thing he asked was 'What do the freshmen recommend?'"[72] Gingrich also directly appointed one member of the Class of 1994 and three sophomores to fill four of the five vacancies on the Rules Committee, and he personally intervened to secure two subcommittee chairmanships for freshmen.

The freshmen responded to this treatment not only by supporting the institutional changes that Gingrich wanted, but also by following the leadership's lead on policy. An analysis of floor voting during the first 100 days, done by the Democratic Congressional Campaign Committee, indicates that average support for the Republican leadership position among the GOP freshmen was 97 percent, and no individual from the Class fell below 90 percent.[73] Many of the freshmen were even responsive to Gingrich when his plans went against their own ideological inclinations. For example, all but two of them supported the leadership's version of the balanced budget amendment, which dropped the requirement for a three-fifths majority for tax increases that many of them had used as a basis for their campaigns.[74] And most of them agreed to postponement of controversial social issues like repeal of the ban on assault weapons, abortion, and school prayer until later in the 104th Congress.

[70] Ibid., 3319.

[71] One place this became clear was during the sometimes heated debate on the proposed constitutional amendment to limit congressional terms. For example, freshman Mark Sanford (SC) referred to senior members as "an unnecessary 'political working class,'" and Nick Smith (MI), elected in 1992, said they were "a little more receptive . . . to special interests." Guy Gugliotta, "Young, Old Cast Slurs As GOP Unity Cracks," *Washington Post*, 30 March 1995.

[72] Gabriel Kahn and Benjamin Sheffner, "Class of '94 Hits Jackpot," *Roll Call*, 12 December 1994, 1.

[73] Tim Curran, "97 Percent Solution," *Roll Call*, 5 June 1995, A1.

[74] Graeme Browning, "The GOP's Young Turks," *National Journal*, 25 February 1995, 481.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

This account does not imply that all of the GOP freshmen saw their preferences as completely coincidental with those of Gingrich or the party leadership, nor that they regarded themselves—despite Democrats' charges to the contrary—as merely robots to follow the Speaker's directions. The old "Boss" model of congressional leadership is no more applicable to Republicans in the 104th Congress than it was to Democrats in the decade before.[75] For example, the Conservative Action Team (known as CATS), a group of about fifty of the most conservative members of the Republican Conference, was formed in April 1995, and the bulk of its membership comes from first termers.[76] Its purpose was to make sure that the party did not deviate from the conservative ideological line. In the words of one of the group's co-chairs, John Doolittle of California, "our leadership gets pressure from the liberal members of our Conference all the time. . . . It needs to get some pressure from conservative members . . . who dominate the Conference."[77] Gingrich had to show responsiveness to these pressures. While he sought to postpone social issues, he had to make the commitment that they would be taken up. On 17 May, for example, he publicly stated that "House Republicans are totally committed" to bringing to a floor vote each of the ten items in the Christian Coalition's "Contract with the American Family."[78] Despite these caveats, however, it is clear that the freshmen generally saw the Speaker as an ideologically kindred spirit who was trying to harness the energies of the new members to make the Congress produce the kinds of policy outcomes they desired. In the words of freshman Brownback of Kansas, "Basically, he's using us to institute the revolution."[79]

Two-way communications. Finally, Gingrich facilitated the concentration and exercise of power by his efforts to maintain interactive communications with all segments of the party. As we noted, there was frequent interchange between the party leadership and committee leaders. Appropriations Chair Livingston said in February: "I probably see the Speaker in twelve meetings per week. I've spoken to him twice today already." A Gingrich spokesman indicated that the Speaker met with Armey and the top committee chairs as a group two or three times a week.[80] Wanting to keep close contact with a major portion of his base, Gingrich met with a revolving group of freshmen every week.[81] He also demonstrated his openness to the other ideological wing of the party. One of the members of the group of GOP moderates, known as the

[75] See Rohde, *Parties and Leaders*, 35–37.

[76] Gabriel Kahn, "GOP 'CATS' Aim at Lunch Bunch,'" *Roll Call*, 4 May 1995, 1.

[77] Eliza Newlin Carney, "Family Time," *National Journal*, 29 July 1995, 1948.

[78] Laurie Goodstein, "Gingrich Vows to Pursue Christian Coalition Agenda," *Washington Post*, 18 May 1995.

[79] Carroll J. Doherty, "Time and Tax Cuts Will Test GOP Freshman Solidarity," *Congressional Quarterly Weekly Report*, 1 April 1995, 916.

[80] Senior, "Gingrich Immerses Himself in Key Committees," 3.

[81] Doherty, "Time and Tax Cuts Will Test GOP Freshman Solidarity," 916.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

"Tuesday Lunch Bunch," served as a liaison to the party leaders and sat in on Monday leadership meetings.[82] This communicative approach made all segments of the party feel like they had a share of the action and permitted Gingrich to exercise central leadership rather than contend with the balkanized power structure that characterized the House before the revitalization of party structures. As Bob Livingston said, "It is no longer a feudal system. It's a federation. . . . It enhances cohesion—cohesion, not coercion."[83]

Conclusions

In this article we have sought to offer a perspective on the Republican regime in the House of Representatives and to shed some light on whether the partisan or majoritarian theories of congressional organization and behavior provide better accounts of the phenomena of interest. Here we examined the first two of three hypotheses that distinguish these two theories. The final evidence in this regard will involve the analysis of policy outcomes, which we are pursuing. Thus final conclusions must await that analysis.

In our view, the consideration of these two hypotheses indicates that the partisan theoretical perspective provides the better explanation for the events of the 104th Congress. This view does not deny the importance of the preferences of the center on the floor, but it does argue—in contrast to the pure majoritarian theory—that the center on the floor is not the only force that is consequential for behavior, organization, and outcomes. It contends that party structures, especially those of the majority, are also important in certain instances. The elements of the theory of conditional party government are rooted in earlier work going back two decades,[84] but its implications were far from universally accepted. No analysis anticipated the strengthening of parties in the House in the 1980s,[85] but those events are implied and explained by conditional party government. Moreover, few anticipated the further strengthening of the majority party that occurred in the 104th Congress, but the concept of conditional party government seemed to apply even more accurately to this case than to the earlier Democratic Congresses for which it was originally devised. Gingrich and his allies wanted to strengthen the GOP party leadership in order to gain greater control over the agenda and greater influence over the choices of Republican members. The party Conference was willing to grant these greater

[82] Gabriel Kahn, "In Intramural Skirmish, the GOP Moderates' 'Tuesday Lunch Bunch' Wins First Big Victory," *Roll Call*, 16 March 1995, 12.

[83] Wolf, "Speaker's Team Concept," 5A.

[84] See, for example, Cooper and Brady, "Institutional Context and Leadership Style" and David W. Rohde and Kenneth A. Shepsle, "Leaders and Followers in the House of Representatives: Reflections on Woodrow Wilson's *Congressional Government*," *Congress and the Presidency* 14 (Autumn 1987): 111–33.

[85] See Shepsle, "Congressional Institutions and Behavior: The Changing Textbook Congress."

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

powers because the party had a high degree of preference homogeneity, which had been reinforced by the large and very conservative freshman class of 1994.

His new powers over the appointment of committee chairs and over committee assignments and his special relationship with the freshmen gave Speaker Gingrich increased influence over the policy decisions of GOP members, both among the committee leadership and the rank and file. This influence and other powers (control over the Rules Committee) gave the leadership greater control over the agenda. Finally, the combination of influence over individuals and over the agenda has enhanced the party leaders' ability to achieve the policy outcomes they desired. Gingrich made it clear from the beginning that he intended to use his powers toward policy goals, although clearly these goals were linked in turn to political ends like maintenance of the Republican majority. For example, in a letter to the chief lobbyist of the National Rifle Association in late January 1994 he stated: "As long as I am Speaker of this House, no gun control legislation is going to move *in committee or on the floor* of this House." Nor was this merely a reflection of bravado in the early days of the new majority, because at the end of July, when the letter came to light, Gingrich's deputy press secretary announced: "The pledge still stands."[86] This is a far cry from the situation in the House under the speakership of Democrat Sam Rayburn, who had to cajole compliance from the committee barons to get anything done.[87] Widely shared preferences within the Republican party led to the strongest party leadership in the House since the revolt against Speaker Cannon, and these strengthened powers were partly responsible for the passage of a wide-ranging legislative agenda in a remarkably short time.

These conclusions do not imply, however, that the Republican leadership had achieved dictatorial control in the House, nor that it was guaranteed continued policy success. The degree of preference homogeneity within the party is partly dependent on the mix of issues the party addresses. As we saw, Gingrich used his influence over the agenda to delay consideration of relatively divisive social issues, but those increasingly required legislative action. This makes success more difficult, and by July 1995 the GOP had suffered a few significant defeats, including the leadership's first loss on adoption of a special rule.[88] Indeed, that very control over the agenda became more difficult as the tug-of-war over what should be on the agenda intensified. For example, both pro-choice and pro-life Republican women members warned the Speaker that the inclusion of anti-abortion provisions in appropriations bills risked costing the party the support of women voters.[89] On the other hand, addressing this

[86] George Lardner, Jr., "Gingrich Promised NRA on Gun Control," *Washington Post*, 1 August 1994. (Emphasis added.)

[87] Cooper and Brady, "Institutional Context and Leadership Style."

[88] It occurred 12 July, on the Interior Appropriations bill and involved an unusual coalition of Democrats and GOP conservatives from the CATS group. See Timothy J. Burger, "After a Defeat, House Leaders Must Regroup," *Roll Call*, 17 July 1995, 1.

[89] Marcia Gelbart, "GOP Women Tell Leaders to Soft-pedal Abortion," *The Hill*, 26 July 1994, 1.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

issue had the highest salience to some Christian conservative GOP representatives. Freshman Tom Coburn (OK) said, "From my personal view, right-to-life has to be a component of any political party I'm associated with. . . . And the day that it's not, that's the day I walk."[90] Balancing these competing views was a challenge for the leadership.

The leadership's difficulties, moreover, were exacerbated by the narrow partisan balance. The majority could endure more defections than the Democrats, but not a lot more. Small partisan majorities make it more likely that a well-defined party position exists,[91] but the situation makes what defections do occur more hazardous. The most effective way to hold they party together is to prevent divisive issues from getting on the agenda in the first place, which was not always possible for the Republican leadership. Despite these difficulties, however, Speaker Gingrich was through his own action and the support of ideological allies in a stronger position to influence outcomes than any predecessor in a long time. A relatively homogeneous party chose to delegate strong authority to him to get a job done, or as he put it: "It's consensual authority. They [the party members] as a team give me my authority."[92]*

[90] Carney, "Family Time," 1951.

[91] See Aldrich, *Why Parties?" 216–218.*

[92] Wolf, "Speaker's Team Concept," 5A.

* This is a revised version of a paper delivered at the 1995 Annual Meeting of the American Political Science Association in Chicago. We thank Patricia Hurley, Burdett Loomis, and Ray Wolfinger for comments on the earlier version.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

The Downsized Warrior
America's Army in Transition
DAVID MCCORMICK
0-8147-5584-4 / $24.95 cloth

The Therapeutic State
Justifying Government at Century's End
JAMES L. NOLAN, JR.
0-8147-5791-X / $18.95 paper

Fundamentalism Reborn?
Afghanistan under the Taliban
EDITED BY WILLIAM MALEY
0-8147-5586-0 / $18.95 paper

The Islamist Challenge in Algeria
A Political History
MICHAEL WILLIS
0-8147-9328-2 / $34.95 cloth

No Middle Ground
Women and Radical Protest
EDITED BY KATHLEEN M. BLEE
0-8147-1280-0 / $18.95 paper

Riots and Pogroms
EDITED BY PAUL R. BRASS
0-8147-1282-7 / $18.50 paper

Temporary Workers or Future Citizens
Japanese and U.S. Migration Policies
EDITED BY MYRON WEINER AND TADASHI HANAMI
0-8147-9326-6 / $50.00 cloth

Defiant Dictatorships
Communist and Middle-Eastern Dictatorships in a Democratic Age
PAUL BROOKER
0-8147-1311-4 / $37.50 cloth

Economic Science and Political Economy
LIONEL ROBBINS
EDITED BY SUSAN HOWSON
0-8147-3570-3 / $95.00 cloth

NYU PRESS

1-800-996-6987 http://www.nyupress.nyu.edu

NYU

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Complexity and the Analysis of Political and Social Life

ROBERT JERVIS

> When you pick up one piece of this planet, you find that, one way or another, it's attached to everything else—if you jiggle over here, something is going to wiggle over there. . . . We need this sense of the continuing interconnectedness of the system as part of the common knowledge, so that politicians feel it and believe it, and so that voters feel it and believe it, and so that kids feel it and believe it, so that they'll grow up with an ethic.
>
> [To minimize oil spills] we should . . . mandate double-hulled vessels and compartments in tankers.—*Sylvia Earle*[1]

It seems obvious that if tankers had double hulls, there would be fewer oil spills. But the point of this article is that when elements constitute a system, the obvious and immediate effect might not be the dominant one. The straightforward argument compares two worlds, one with single-hulled tankers and one with double-hulled ones, holding everything else constant. But in a system, everything else will not remain constant. The shipping companies, forced to purchase more expensive tankers, might cut expenditures on other safety measures, in part because of the greater protection supplied by the double hulls. The relative cost of alternative means of transporting oil would decrease, perhaps moving spills from the seas to the areas traversed by new pipelines. But even tanker spills might not decrease. The current trade-off between costs and spills may reflect the preferences of shippers and captains, who might

[1] Quoted in Wallace White, "Profiles (Sylvia Earle)," *New Yorker,* 3 July 1989, 56, 46.

ROBERT JERVIS is Adlai E. Stevenson Professor of International Politics and a member of the Institute of War and Peace Studies at Columbia University. He has written numerous articles and books on foreign policy and international relations, including *Perceptions and Misperceptions in International Politics* and *Soviet-American Relations After the Cold War.*

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

take advantage of the greater safety by going faster and taking more chances.[2] If double hulls led to even a slight increase in the price of oil, many other consequences could follow, from greater conservation to increased uses of alternative fuels to hardship for the poor.

Although we all know that social life and politics constitute systems and that many outcomes are the unintended consequence of complex interactions, the basic ideas of systems do not come readily to mind and so often are ignored. Thus I think that readers will find that most of my specific arguments are familiar, but only as a distant echo of things that they have put aside. I believe they need to be at the center of our focus.

We are dealing with a system when a set of units or elements are interconnected so that changes in some elements or their relations produce changes in other parts of the system, and the entirety exhibits properties and behaviors that are different from those of the parts. In a system, the chains of consequences extend over time and many areas: the effects of action are always multiple. Doctors call the undesired impact of medications "side effects." The language is misleading, for there are no criteria other than our desires that determine which effects are "main" and which are "side." But the point reminds us that disturbing a system will produce several changes.

Garrett Hardin gets to the heart of the matter in pointing out that, contrary to many hopes and expectations, we cannot develop or find "a highly specific agent which will do only one thing. . . . *We can never do merely one thing.* Wishing to kill insects, we may put an end to the singing of birds. Wishing to 'get there' faster we insult our lungs with smog."[3] Seeking to protect the environment by developing nonpolluting sources of electric power, we build windmills that kill hawks and eagles that fly into the blades; cleaning the water in our harbors allows the growth of mollusks and crustaceans that destroy wooden piers and bulkheads; adding redundant safety equipment makes some accidents less likely, but increases the chances of others due to the operators' greater confidence and the interaction effects among the devices; placing a spy in the adversary's camp not only gains valuable information, but leaves the actor vulnerable to deception if the spy is discovered; eliminating rinderpest in East Africa paved the way for canine distemper in lions, because it permitted the accumulation of cattle, which required dogs to herd them, which provided a steady source for the virus that could spread to lions; releasing fewer fine particles and chemicals into the atmosphere decreases pollution but also is likely to accelerate global warming; pesticides often destroy the crops that they are designed to save by killing the pests' predators; removing older and dead trees from forests leads to insect epidemics and an altered pattern of regrowth; allowing the sale of an antibaldness medicine without a prescription may be dangerous, because

[2] For a discussion of marine safety in terms of systems effects, see Charles Perrow, *Normal Accidents* (New York: Basic Books, 1984), chap. 6. My thinking has been strongly influenced by this book.

[3] Garrett Hardin, "The Cybernetics of Competition," *Perspectives in Biology and Medicine* 7 (Autumn 1963): 79–80. (Emphasis added.)

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

people no longer have to see a doctor, who in some cases would have determined that the loss of hair was a symptom of a more serious problem; flying small formations of planes over Hiroshima to practice dropping the atomic bomb accustomed the population to air raid warnings that turned out to be false alarms, thereby reducing the number of people who took cover on 6 August 1945.[4]

In politics, connections are often more idiosyncratic, but their existence guarantees that here too most actions, no matter how well targeted, will have multiple effects. For example, William Bundy was correct to worry that putting American troops into Vietnam might not make that country more secure, because deployment could not only lead the North to escalate, but also might "(1) cause the Vietnamese government and especially the army to let up [and] (2) create adverse public reactions to our whole presence on 'white men' and 'like the French' grounds."[5] It seems that the American development of nuclear weapons simultaneously restrained Joseph Stalin by increasing his fear of war and made him "less cooperative and less willing to compromise, for fear of seeming weak."[6] Indeed, it is now widely accepted that mutual second-strike capability not only decreased the chance of nuclear war but also made it safer for either side to engage in provocations at lower levels of violence.[7] Similarly, providing security guarantees to the countries of East Europe might lead them to take harsher stances toward minority ethnic groups and make fewer efforts to maintain good relations with their neighbors.

To mention three more surprising cases, in the fall of 1948, General Lucius Clay warned that American budget deficits would be seen in Europe as a fore-

[4] Jonathan Weisman, "Tilting At Windmills," *Wildlife Conservation* 97 (January/February 1994): 52–57; Lindsey Gruson, "Problem With Clean Harbor: Creatures Devour Waterfront," *New York Times,* 27 June 1993; Aaron Wildavsky, *Searching for Safety* (New Brunswick, NJ: Transaction Books, 1988); Perrow, *Normal Accidents;* the classic case of "turned" agents was revealed in J. C. Masterman, *The Double-Cross System in the War of 1939 to 1945* (New Haven: Yale University Press, 1972); Craig Packer, "Coping with a Lion Killer," *Natural History* 105 (June 1996): 14–17; William Stevens, "Acid Rain Efforts Found to Undercut Themselves," *New York Times,* 27 January 1994; Richard Kerr, "Study Unveils Climate Cooling Caused by Pollutant Haze," *Science*, 12 May 1995, 802; Kerr, "It's Official: First Glimmer of Greenhouse Warning Seen," ibid., 8 December 1995, 1565–67; Nancy Langston, *Forest Dreams, Forest Nightmares: The Paradox of Old Growth in the Inland West* (Seattle: University of Washington Press, 1995), 148–50, 292–94; "You Want Hair, Get A Prescription," *Aspen Daily News,* 28 July 1994 (in the end, the FDA decided to permit freer sale of the medication: "Hair-Growth Drug to Be Sold Over the Counter," *New York Times,* 13 February 1996); Leon Sigal, *Fighting to a Finish: The Politics of War Termination in the United States and Japan, 1945* (Ithaca, NY: Cornell University Press, 1988), 215–16. Those who believe that it is healthy to eat food that has not been treated with pesticides will be interested in Jane Brody, "Strong Views on Origins of Cancer," *New York Times,* 5 July 1994.

[5] Quoted in Larry Berman, "Coming to Grips with Lyndon Johnson's War," *Diplomatic History* 17 (Fall 1993): 525.

[6] David Holloway, *Stalin and the Bomb* (New Haven: Yale University Press, 1994), 272.

[7] Glenn Snyder, "The Balance of Power and the Balance of Terror" in Paul Seabury, ed., *The Balance of Power* (San Francisco: Chandler, 1965), 184–201.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

runner of inflation and so would undermine morale in West Berlin; the American pressure on the Europeans to rearm more rapidly in response to the North Korean attack on the South produced squabbles that encouraged the USSR "to believe that contradictions in the enemy camp ultimately would tear apart the enemy coalition . . . [and so] undermined U.S. bargaining power"; in 1994 the dollar strengthened after President Bill Clinton hired a powerful lawyer to defend him against charges of sexual harassment: as one currency trader put it, "we were starting to lose faith in him and that helped turn things."[8]

Emergent Properties

The phrase "the whole is greater than the sum of its parts" can call up images of metaphysical "holism" and organic metaphors. That is not what I have in mind. If we are dealing with a system, the whole is different from not greater than the sum of the parts.[9] Reductionism—seeking to understand the system by looking only at the units and their relations with each other—is not appropriate. In some cases, the concepts we apply to a system (for example, polarity) cannot be applied to the units that compose it; and in other cases, the description of a unit, such as a state being nonaligned, an actor being centrally positioned, or a person playing multiple roles, only makes sense in systemic terms. More strikingly, from the hypothetical fact that everyone in the system can have a given characteristic, we cannot infer that the system can be so described. Thus the whole may be symmetric, peaceful, or stable only if the parts are not; and a reliable system can be formed from unreliable components. This view is not an intuitive one, and many people undoubtedly would agree with Margaret Thatcher that "You get a responsible society when you get responsible individuals" or with Charles Kindleberger that "For the world economy to be stabilized, there has to be a stabilizer."[10] But this simply is not true when the units interact to form a system that has quite different characteristics than they do. As James Madison put it in *The Federalist,* No. 55, "In all very numerous assemblies, of whatever characters composed, passion never fails to wrest the sceptre from reason. Had every Athenian citizen been a Socrates, every Athenian assembly would have been a mob."[11]

[8] Walter Millis, ed., *The Forrestal Diaries* (New York: Viking, 1951), 526; William Stueck, *The Korean War* (Princeton: Princeton University Press, 1995), 6; quoted in Thomas Friedman, "It's a Mad, Mad, Mad, Mad, World Money Market," *New York Times,* 8 May 1994. As these examples show, people's expectations—based in part on their beliefs about others' expectations—are central to the dynamics of systems.

[9] For a good and critical discussion and review of the literature, see D. C. Phillips, *Holistic Thought in Social Science* (Stanford, CA: Stanford University Press, 1976).

[10] Quoted in R. W. Apple, Jr., "Margaret Thatcher: A Choice, Not an Echo," *New York Times Magazine,* 29 April 1979, 36; Charles Kindleberger, *The World in Depression* (Berkeley: University of California Press, 1973), 305.

[11] *The Federalist Papers,* Isaac Kramnick, ed. (London: Penguin, 1987), 336.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

This argument is not teleological: behavior rests on what individual actors do; and the dynamics of the system are rooted in their incentives, goals, and calculations. But local predictability, if not simplicity, produces a high degree of complexity and unpredictability as the outcomes and patterns are formed interactively. Moving from actors' intentions and behavior to results (and to the environment the actors face at later periods of time) is extremely difficult, in part because behavior is influenced by the actors' own estimates of the consequences of alternative courses of action. In other words, the approach outlined here has firm microfoundations despite its rejection of the reductionist claim that the system is "nothing but" individual behaviors.

Interconnections

In a system, the fate of the units and their relations with others are strongly influenced by interactions at other places and at earlier periods of time. Some arrangements of connections will make a system resistant to change, and others can facilitate instability. When one element or relation cannot change unless several others do, small and slow adjustments will not be possible; each element has a veto over all the others. In international politics, the most important case is that each state might be glad to abandon a preoccupation with power and narrow self-interest if its rivals did. But for anyone to change, everyone must change, which means that power politics may exist because it exists: once it is in place, no individual state can alter it. To turn to domestic society, many experts believe that America would have a much more efficient transportation system if it relied more heavily on rail (including street cars in urban areas) and less on airplanes and automobiles. The difficulty is that such a change would require not only enormous investments of public and private capital, but also coordinated changes in private attitudes, municipal codes, tax laws, and subsidy policies. To take an example from university life, the increasing costs of books coupled with decreasing library budgets has created a crisis in many areas of scholarly publishing, as university presses cannot afford to publish many excellent monographs. An obvious alternative is to move to cheaper electronic forms of dissemination for books that contain important scholarship but will never attract many buyers. But doing so would require large and almost simultaneous adjustments of policies and attitudes on the part of such disparate but interrelated actors as publishers, libraries, individual scholars, departmental hiring committees, and the authorities that grant tenure.

Interactions, Not Additivity

We cannot understand systems by summing the characteristics of the parts of the bilateral relations between pairs of them.[12] This is not to say that such opera-

[12] Kenneth Waltz, *Theory of International Politics* (Reading, MA: Addison-Wesley, 1979), 64; for parallel discussions in social psychology, organization theory, and ecology, see respectively Paul Watzlawick, Janet Beavin, and Don Jackson, *Pragmatics of Human Communication: A Study of Inter-*

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

tions are never legitimate, but only that when they are, we are not dealing with a system. More precisely, actions often interact to produce results that cannot be comprehended by linear models. "Linearity involves two propositions: 1) changes in system output are proportional to changes in input . . . and 2) system outputs corresponding to the sum of two inputs are equal to the sum of the outputs arising from the individual inputs."[13]

Intuitively, we often expect linear relationships. If a little foreign aid slightly increases economic growth, then more aid should produce greater growth. But in a system, a variable may operate through a nonlinear function. That is, it may have a disproportionate impact at one end of its range. Sometimes even a small amount of the variable can do a great deal of work; and then the law of diminishing returns sets in, as is often the case for the role of catalysts. In other cases, very little impact is felt until a critical mass is assembled. For example, women may thrive in a profession only after there are enough of them so that they do not feel like strangers.[14] Similarly, the effect of one variable or characteristic can depend on which others are present. Thus even if it is true that democracies do not fight each other in a world where other regimes exist, it would not follow that an entirely democratic world would necessarily be a peaceful one: democracies might now be united by opposition to or the desire to be different from autocracies and once triumphant might turn on each other. The other side of this coin is that many of the characteristics of democracies that classical Realists saw as undermining their abilty to conduct foreign policy—the tendency to compromise, heed public opinion, and assume others are reasonable—may serve them well when most of their interactions are with other democracies.

Nonlinearities create problems with the classic conservative argument that changes should proceed only incrementally: "By a slow but well-sustained progress, the effect of each step is watched; the good or ill success of the first gives light to us in the second; and so, from light to light, we are conducted safely through the whole series."[15] But this prescription ignores several facts: jumps rather than smooth progressions often characterize operations of systems; some goals can only be reached by quick and drastic changes; the direct response to a small alteration in a policy or input may tell us very little about either the delayed effects or those that would follow from a large change.

---

actional Patterns, Pathologies, and Paradoxes (New York: Norton, 1967), 125–26, 135–39; Perrow, *Normal Accidents;* Stuart Pimm, *The Balance of Nature? Ecological Issues in the Conservation of Species and Communities* (Chicago: University of Chicago Press, 1991), 249–56.

[13] Alan Beyerchen, "Nonlinear Science and the Unfolding of a New Intellectual Vision" in Richard Bjornson and Marilyn Waldman, eds., *Papers in Comparative Studies* vol. 6 (Columbus: Center for Comparative Studies in the Humanities, Ohio State University Press, 1989), 30.

[14] Gerhard Sonnert with the assistance of Gerald Holton, *Gender Differences in Science Careers* (New Brunswick, NJ: Rutgers University Press, 1995).

[15] Edmund Burke, *Reflections on the Revolution in France* (New York: Everyman's Library, 1967), 19–20.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Not only does the effect of one variable frequently depend on the state of another and the success of one strategy depend on the strategies that others are following, but initial behaviors and outcomes often influence later ones, producing powerful dynamics that explain change over time and that cannot be captured by labeling one set of elements "causes" and other "effects." Although learning and thinking play a large role in political and social life, they are not necessary for this kind of temporal interaction, which characterizes the operation of evolution in nature. We usually think of individuals and species competing with one another within the environment, thus driving evolution through natural selection. In fact, there is coevolution: plants and animals not only adapt to the environment, they change it. As a result, the environment becomes more hospitable to some life forms and less hospitable to others.

Nature is not likely to settle down to a steady state, as the development or growth of any life form will consume and be consumed by others, closing some ecological niches and opening others, which in turn will set off further changes. To some extent, organisms create their own environments, not only by direct actions (such as digging burrows, storing food, excreting waste products), but as their very existence alters the microclimates, nutrients, and feeding opportunities that will affect them and others. To take a more readily visible example, elephants thrive on acacia trees. But the trees can only develop in the absence of the elephants. After a while, the elephants destroy the trees, drastically changing the wildlife that the area can sustain and even affecting the physical shape of the land. In the process, they render the area uncongenial to themselves, and they either die or move on. The land is adapting to the elephants just as they are to it. One Masai put it well: "Cows grow trees, elephants grow grasslands."[16] Most consequentially, the very atmosphere that supports current life was produced by earlier forms, many of which could not survive in the new environment: long before humans, species of bacteria were so successful and generated so much pollution that they poisoned themselves.

Politics, like nature, rarely settles down as each dispute, policy, or action affects others and reshapes the political landscape, inhibiting some behaviors and enabling others. Campaign financing reforms generated new actors in the form of political action committees (PACs), new issues in the form of arguments about what PAC activities should be permitted, new debates about the meaning of the first amendment, and new groups that track the flow of money and services. These in turn affect not only how funds are solicited and given, but also change the allies and adversaries that are available to political actors and the ways in which a variety of other issues are thought of. Political maneuvers create niches for new actors and disputes, often in ways that no one had anticipated. William Miller's fascinating study of the southern attempt to con-

[16] Quoted in David Western, "The Balance of Nature," *Wildlife Conservation* 96 (March/April 1993): 54. For more technical discussions, see Roger Lewin, "In Ecology, Change Brings Stability," *Science,* 28 November 1986, 1071–73; and S. J. McNaughton, R. W. Ruess, and S. W. Seagle, "Large Mammals and Process Dynamics in African Ecosystems," *BioScience* 38 (December 1988): 794–800.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

trol—indeed choke off—the debate about slavery in the 1830s points out that by passing a gag rule prohibiting congressional discussion of petitions asking for the end of the slave trade in the District of Columbia, the South called up "petitions against the gag rule itself" and made a new issue of the right to petition the government.[17] Indeed, many protest movements grow as people previously unsympathetic are offended by the way the authorities respond. Each added issue may mobilize the population in a different way than did the original one. And of course the new dispute in turn changes the political environment.

The capabilities, preferences, and beliefs of actors can also be changed by interaction. Conflict often hardens attitudes and drives people to extreme positions in addition to mobilizing those who had not been previously involved. Thus the Supreme Court's ruling that school segregation was illegal both drove southern politics to the right and helped build the civil rights movement, developments that in turn led to demonstrations and violence, which greatly increased the pressure for civil rights legislation.[18] Just as conflict spirals can be understood as changing the environment in which each actor finds himself and which his behavior creates, so biologists stress that the environment of each species includes others with which it interacts, which is why we should not be surprised that coevolutionary processes include arms races between predators and prey.[19]

It is clear that for better and for worse people change as they are affected by experiences, including those that they have chosen. Personal development does not mean that the person simply turns into what was latent in him. Instead, we need to take account of the situations in which he was placed. Some examples are familiar to academics. When we think about whether one of our bright undergraduates would do well in a Ph.D. program, we are likely to ask whether she enjoys and does well at independent research. But the right question may be whether she will enjoy and do well at it after she has experienced two or three years of graduate school. It is also a mistake to point to the lackluster career of a person who failed to get into a major graduate school or to receive tenure at a top school as justification for these decisions, because we do not know how well she would have done in a more stimulating and demanding setting. Similarly, only transforming interactions can explain why on this sunny Sunday afternoon I am not only revising this article, but enjoying the effort:

[17] William Lee Miller, *Arguing About Slavery* (New York: Knopf, 1996), 278. The classic treatments of these processes are E. E. Schattschneider, *Politics, Pressures and the Tariff* (New York: Prentice-Hall, 1935); and Schattschneider, *The Semisovereign People* (New York: Holt, Rinehart, and Winston, 1960); also see Norton Long, "The Local Community as an Ecology of Games," *American Journal of Sociology* 44 (November 1958): 251–61; and George Tsebelis, *Nested Games: Rational Choice in Comparative Politics* (Berkeley: University of California Press, 1990).

[18] Michael Klarman, "How *Brown* Changed Race Relations: The Backlash Thesis," *Journal of American History* 81 (June 1994): 81–118.

[19] R. Dawkins and J. Krebs, "Arms Races Between and Within Species," *Proceedings of the Royal Society, London,* vol. B 205, 21 September 1979, 489–511; Leigh Van Valen, "A New Evolutionary Theory," *Evolutionary Theory* 1 (July 1973): 1–30.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

forty years ago I had quite different activities in mind. In a marriage, one partner sometime wonders about what would have happened had she married someone else. Hearing this, her husband is likely to become upset, thinking she might have preferred someone else to him. But this is not the point: with a different spouse, she might have been quite a different person with different preferences. Indeed, one cannot readily ask which husband or life "she" would prefer because there is no single individual who could make this choice. Similar reasoning explains the limitations of the common argument that international institutions do not matter, because states will ignore them when push comes to shove and vital interests are at stake. Although the statement is correct, it misses the role institutions can play in shaping interests and in seeing that push does not come to shove.

Many statesmen fail to see how their behavior will change their environments. Like good linear social scientists, they understand that their actions can produce a desired outcome, all other things being equal, and project into the future the maintenance of the conditions that their behavior will in fact undermine. This in part explains the Argentine calculations preceding the seizure of the Falklands/Malvinas. Their leaders could see that Britain's ability to protect its position was waning, as evinced by the declining naval presence, and that Argentina's claim to the islands had received widespread international support. But what they neglected was the likelihood that the invasion would alter these facts, unifying British opinion against accepting humiliation and changing the issue for international audiences from the illegitimacy of colonialism to the illegitimacy of the use of force.[20] A similar neglect of the transformative power of action may explain why Saddam Hussein thought he could conquer Kuwait. Even if the United States wanted to intervene, it could do so only with the support and cooperation of other Arab countries, which had sympathized with Iraq's claims and urged American restraint. But the invasion of Kuwait drastically increased the Arabs' perception of threat and so altered their stance. Furthermore, their willingness to give credence to Iraqi promises was destroyed by the deception that had enabled the invasion to take everyone by surprise.

The failure to appreciate the fact that the behavior of the actors is in part responsible for the environment, which then impinges on them, can lead observers—and actors as well—to underestimate actors' influence. Thus states caught in a conflict spiral believe that they have little choice but to respond in kind to the adversary's hostility. This may be true, but it may have been the states' earlier behavior that generated the situation that now is compelling. That the current environment may have been in part created by the actor without his knowing it, is the burden of Lewis Dexter's analysis of members of Congress and lobbyists:

[20] Lawrence Freedman and Virginia Gamba-Stonehouse, *Signals of War: The Falklands Conflict of 1982* (Princeton: Princeton University Press, 1991), 14–15.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

> A congressman very largely gets back what he puts out. In his limited time, he associates more with some kinds of people than with others, listens to some kinds of messages more than to others, and as a result hears from some kinds of people more than from others. He controls what he hears both by his attention and by his attitudes. He makes the world to which he thinks he is responding. Congressmen, indeed, do respond to pressures, but they generate the pressures they feel.[21]

Robert McNamara complains about how he was misled by faulty military reporting but similarly fails to consider whether his style and pressure might have contributed to what he was being told. Lawrence Tribe more perceptively argues that recent Supreme Court decisions that deny the appropriateness of judicial remedies for "private" wrongs are in error, because they similarly neglect the role of laws, courts, and the state in generating the forces that brought about the problems.[22] More cunning actors are able to reach their goals by manipulating their environment so that it changes in a way that enables or requires them to reach their goals.

These kinds of interactions explain much of the otherwise puzzling behavior to which we will now turn: intentions and outcomes often are very different, regulation is prone to misfire, and our standard methodologies are not likely to capture the dynamics at work.

Outcomes Do Not Follow From Intentions

In a system, actions have unintended effects on the actor, others, and the system as a whole, which means that one cannot infer results from desires and expectations and vice versa. The most obvious reason for this is competition. As actors seek advantage and try to out-strategize each other, some of them—if not all—must be surprised. But competition is not necessary for many consequences to be unintended, because the phenomenon is a basic product of complex interconnections. Indeed, interventions to ameliorate natural disasters can increase their damage. Competition also was peripheral to the reasons why the Reagan administration's population control program that aimed at decreasing abortions in the Third World probably increased them. Cutting off funds to organizations that performed abortions indeed put many of them out of business. But since they also provided birth control supplies and many of the people previously served did not go elsewhere, unwanted pregnancies and abortions increased.[23] More obviously, laws that mandate life imprisonment for the third felony convictions can increase violent crime by those who have been convicted twice and decrease the proportion of those who are willing to plea-bargain. In

[21] Raymond Bauer, Ithiel de Sola Pool, and Lewis Anthony Dexter, *American Business and Public Policy* (New York: Atherton, 1963), 420.

[22] Lawrence Tribe, "The Curvature of Constitutional Space: What Lawyers Can Learn From Modern Physics," *Harvard Law Review* 103 (November 1989): 1–39.

[23] Constance Holden, "U.S. Abortion Policy May Increase Abortions," *Science,* 27 November 1987, 1222.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

international politics, not only are the expectations of states often thwarted by the actions of others, but many outcomes are mutually undesired: thus it is not correct to claim that "the absence of superpower war is puzzling only if at least one of the superpowers was expansionist and aggressive."[24]

It might seem that unintended consequences would not arise when we deal directly with the actor, for example, by increasing the resources at his disposal. But good samaritans have found that people may not respond to such interventions by increasing the valued activities, as they would in a linear world. One reason for the failure of massive intervention to assist children who were at risk for delinquency and unemployment may be that families in the program substituted it for the use of friends, clergy, and others to whom they otherwise would have turned.[25] Similarly, if foreign aid allows a poor country to procure the essentials of government without developing a powerful state to guide and extract resources from its society, the result will be decreased effectiveness, lower rates of economic growth, and instability. In a parallel manner, states may decrease their efforts in support of a common cause when their allies do more. As these cases show, when the values and objectives of those receiving assistance differ from those providing it, the behavior of the former may also diverge from what the latter intended.

These problems cannot be avoided by giving people simple incentives and orders. In fact, these easily misfire, not because people disregard them, but because following them leads to behavior that is not what was wanted. Thus centrally planned economies failed because orders were obeyed too well: having been told to maximize production, factories rationally turned out a high volume of shoddy goods with great waste; having been given incentives for production with minimum waste, clothing factories produced nothing but large sizes.[26] While at first glance the ability to direct behavior would seem to lead to perfect control, it simply is not possible to design incentives that can guide people through a multitude of unforeseen situations in a way that is desired by those establishing the rules. Thus a welfare reform typical of the 1990s gives a flat rate to agencies for placing foster children in homes rather than paying a certain amount for each day the child is in its care. The admirable objective is to give the agency incentives to resolve the child's future as quickly as possible; the danger is that speed rather than the child's best interests will guide the agency's behavior.[27] Even more disturbingly, it appears that laws designed to deter ille-

[24] Richard Ned Lebow and Janice Gross Stein, *We All Lost the Cold War* (Princeton: Princeton University Press, 1994), 357.

[25] Lee Ross and Richard Nisbett, *The Person and Situation: Perspectives of Social Psychology* (New York: McGraw-Hill, 1991), 214–19. Of course, other factors may have been at work as well, such as the children and their families developing low self-images and expectations of failure.

[26] The classic study is Joseph Berliner, *Factory and Manager in the USSR* (Cambridge, MA: Harvard University Press, 1957).

[27] Kimberly McLarin, "Foster Care Model Attracts New York—But Only in Part," *New York Times,* 20 November 1995; for the perverse effects on foster care created by the new welfare incentives, see Nina Bernstein, "Foster Care System Wary of Welfare Cuts," ibid., 19 November 1995.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

gal immigration by holding ships' crews accountable for anyone they bring to port have led them to murder stowaways.[28]

Overlapping with these processes, problems are created when the effects of incentives cannot be limited to the target population. Most obviously, ameliorating the plight of unfortunates may make it worthwhile for others to assume that status. Supply creates its own demand in what economists call the "moral hazard" problem, as people who know that they will be helped if they are in need will not struggle as hard to avoid this outcome. For example, supplying housing to the homeless or even improving shelters leads some people who are housed dreadfully to abandon their accommodations; giving first priority for housing to those living in unsafe conditions provides incentives for people to temporarily move into such quarters; decent welfare payments make it monetarily irrational to take low-paying jobs. People then respond to orders and incentives, but the results are not what was intended, because in a system you cannot do just one thing.

Unintended consequences need not be undesired. Indeed, economic growth may fit in this category, springing from the psychological tensions of Protestantism and sustained by the desire of individuals to enrich themselves, which, although usually unsuccessful, enriches society through the operation of Adam Smith's invisible hand. To take a specific example from international politics, Anwar Sadat's trip to Jerusalem, which was applauded by President Jimmy Carter and most Americans, was at least in part motivated by the Egyptian leader's desire to derail the Soviet-American joint communique calling for a Geneva meeting with a significant role for the Soviet Union. Carter may also have benefited from the unintended consequences of his pledge to remove American troops from Korea. Although he soon backed away from it, the anxiety it created brought Japan and Korea closer together.[29]

Regulation

When governments seek to restrain undesired behavior through laws and regulation, the results are often unintended. The problem is not so much that laws are difficult to enforce, but once more that in a system we can never do merely one thing. When the British government was considering traffic regulations in the 1930s, the secretary of the Cyclists' Touring Club argued that "if rear lamps became compulsory on bicycles the mortality among cyclists would immediately go up enormously," because people who were driving at night would expect to see the bicyclists more easily and so would drive faster and hit more of them, especially those whose lights had gone out.[30] Although this argument seems so far-fetched as to discredit systems thinking, it turns out to have a sig-

[28] "Did a Taiwan Ship Hurl Stowaways Overboard?" ibid., 29 May 1996.

[29] Victor Cha, *Alignment Despite Antagonism: The United States-Korea-Japan Security Triangle* (Stanford, CA: Stanford University Press, forthcoming).

[30] William Plowden, *The Motorcar and Politics: 1896–1970* (London: Bodley Head, 1971), 241.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

nificant measure of truth. John Conybeare found that when seat belts were made mandatory in Australia, deaths and injuries declined for the occupants of automobiles but went up for pedestrians.[31] In a classic study, Samuel Peltzman argued that safety devices like seat belts and energy-absorbing steering columns did not produce the expected effects, because drivers, knowing that they had a greater margin of safety, drove faster and less carefully.[32] This offsetting behavior leads to what can be called the Titanic effect, after the ship whose captain took fewer precautions because he felt that he had such a great margin of safety that it made sense to reduce it slightly in order to make a speedier trip. People who are given resources may use them for their own purposes, which may not be those of the people who established the regulations.

While regulators believe that controlling one element will allow them to change behavior as desired, in fact this would be the case only if everything else in the system were constrained. But usually it is not. Thus we should not be surprised that the attempt to protect civil liberties by limiting police behavior (for example, by excluding evidence gathered in violation of the fourth amendment) created new and undesired practices, such as police perjury about how they found the evidence. As Gary Marx explains: "restrict police use of coercion, and the use of deception increases. Restrict investigative behavior after an offense, and increased attention will be paid to anticipating an offense."[33] Because criminals also react to changes in their environments, a drastic increase in car-jacking in Nairobi, Kenya followed the introduction of measures to prevent the more normal form of car theft: "As insurance companies insisted that their clients install car alarms and electronic devices that can immobilize engines, it made more sense to just steal the car when in motion."[34] In a related dynamic, civilian attempts to gain control of the military by means of detailed orders may erode its professionalism and faith in the civilian leadership, thereby making it less responsive to civilian goals and commands than it was before.[35]

The most extreme argument is that regulation is always futile or counterproductive:[36] one cannot improve on market-driven outcomes; order can arise

[31] John Conybeare, "Evaluation of Automobile Safety Regulations: The Case of Compulsory Seat Belt Legislation in Australia," *Policy Sciences* 12 (June 1980): 27–39.

[32] Samuel Peltzman, "The Effects of Automobile Safety Regulation," *Journal of Political Economy* 83 (August 1975): 677–725. The empirical analyses necessary to tease out the influence of regulations from the multiplicity of other factors at work is extremely difficult, and so the studies are controversial.

[33] Gary Marx, *Undercover: Police Surveillance in America* (Berkeley: University of California Press, 1988), 47.

[34] Donatella Lorch, "In Nairobi, Car-Jacking is a Bitter Fact of Life," *New York Times,* 19 December 1993; similarly, it is now generally believed that harsh sentences for drug dealers greatly increased the number of teenagers in the drug trade.

[35] This analysis is drawn from Samuel Huntington, *The Soldier and the State* (Cambridge, MA: Harvard University Press, 1957); and Peter Feaver, *Guarding the Guardians: Civilian Control of Nuclear Weapons in the United States* (Ithaca, NY: Cornell University Press, 1992), esp. 251–53.

[36] As Albert Hirschman notes, although the "futility thesis" and the "perversity thesis" are often conjoined, they actually represent quite different beliefs about the ways in which systems defeat at-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

spontaneously; the best outcomes for society will be the resultants of separate decisions by individuals who are focused on their own interests rather than the product of benign rulers seeking the common interest. Following this line of reasoning, the Bush administration sought to have occupational health regulations incorporate second-order effects on the grounds that by increasing the costs to business, the new rules could lead them to cut wages or fire workers, which in turn would endanger their health: "better-off workers tended to use their higher wages for more leisure, more nutritious food and more preventative health care, as well as extending their longevity by smoking and drinking less than former workers."[37]

But this rejection of regulation pretends to more precision than is possible. While the complexity of the interconnections means that we cannot be certain that the proposed rules will work (indeed, even after the fact it would be extremely difficult to tell), neither can we be confident that the dire predictions are correct. To claim that we can be certain of how each actor will respond, how the different behaviors will interact, and how people will then adjust to the changed circumstances goes beyond the knowledge we can have. On the other hand, it is also an error to stop the analysis too soon and look only at direct effects. Thus the same people who supported Bush's calculation of the indirect effects of health regulations argued that only unfounded speculation could lead one to conclude that cutting welfare would push children into poverty or that reducing college loans would force many students to drop out.

Implications For Testing and Method

It is common to test the validity of propositions by making comparisons between two situations that are identical except for one variable. When we are dealing with systems, however, things cannot change one at a time; everything else cannot be held constant. To try to estimate the role of one element or action, we have to understand complex interactions, and these present a series of challenges to standard comparative methods.

A biologist objected to the movie *Arachnophobia* on the grounds that without spiders we would be overwhelmed by insects.[38] This prediction is certainly correct if spiders were to disappear and everything else remained constant. But in a system it would not, and the claim shows the perils of using the ceteris peribus assumption. Although even experts cannot predict what a spiderless world would be like, even a nonexpert can say that in the absence of one of the insects' prime predators, other kinds would flourish, and the world would be

tempts to alter them. See Hirschman, *The Rhetoric of Reaction* (Cambridge, MA: Harvard University Press, 1991), 71–74.

[37] Robert Hershey, Jr., "Citing Cost, Budget Office Blocks Work Place Health Proposal," *New York Times,* 16 March 1992; also see Adam Clymer, "Budget Office Retreats on Work Health," ibid., 30 March 1992.

[38] "Spider Expert Accuses Hollywood of Spinning Web of Deceit," *Aspen Daily News*, 26 July 1990.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

different in many ways. In the end, perhaps life would be much worse for human beings (although it also could be better), but the simple extrapolation is inappropriate. Similarly flawed are the standard recitations of how many jobs are at stake in trade disputes: knowing how many people are producing exports to a country does not tell us how many jobs would be lost if trade were restricted, because the consequences would be multiple, including some that would increase employment, most obviously the demand for products previously imported from the other country.

When two elements interact, we will be misled if we sum up the impact that each factor would have were it to act by itself. During the interwar period the British Royal Navy underestimated the threat posed by air power to battleships by looking at each mode of attack separately—for example, torpedoes, high-altitude bombing, dive bombing—without taking into account either the fact that the damage from one attack would reduce the ship's ability to cope with subsequent ones or that the tactics appropriate to deal with one threat would increase vulnerability to others.[39] To take a larger-scale example, although British strategists tended to debate the merits of two types of grand strategy—using continental allies and relying on sea power—as alternatives, in fact the latter worked so well because it was combined with the former: as Paul Kennedy has shown, without a continental enemy, Britain's adversary would be free to pour resources into a navy and defeat Britain at sea.[40]

We also need to track the circular processes at work as actors respond to changes in their environments, which are in part a product of what they and others did earlier. In thought experiments we often ask what would have happened if one element in our world were different. Living in New York, I hear people speculate that traffic would be unbearable (as opposed to merely terrible) had Robert Moses not built his highways, bridges, and tunnels. But estimates cannot merely subtract these structures from today's Manhattan landscape. The traffic patterns, the location of businesses and residences, and the number of automobiles now on the streets are in significant measure the product of Moses's road network. Had it not been built, or had it been built differently, many other things would have been different. Traffic might now be worse, but it might also be better if a more efficient public transportation system had developed. Alternatively, traffic might be light because the city would not have grown so large and prosperous. In any event, the thought experiment cannot be carried out in a simple way.

Because systemic outcomes are the product of the interaction of multiple factors, a common sense method of probing the environment cannot be trusted. It seems obvious that we could try several tactics and adopt the one that works best. But the possibility that adversaries could learn to thwart the tactic is not

[39] Geoffrey Till, "Air Power and the Battleship in the 1920s" in Brian Ranft, ed., *Technical Change and British Naval Policy: 1860–1939* (New York: Holmes and Meier, 1977), 119.

[40] Paul Kennedy, *The Rise and Fall of British Naval Mastery* (London: Macmillan, 1983).

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

the only problem. Unless the areas are completely isolated, the tactic's success could be attributable to the entire ensemble that had been employed: the use of those that had apparently failed might have been necessary for the success of the others. In Vietnam, critics argued for shifting resources from large search-and-destroy operations, which had yielded few results, to the pacification program, which had established government control where it was put in place. But the army's reply may have been valid: pacification worked only because conventional offenses contained the enemy's most effective forces, which would destroy the program if American policy changed. More recently, the costs of medical care have been growing more slowly under private plans than under Medicare. This does not mean the success could be duplicated, however. Not only may the two populations have different characteristics, but the private plans have been able to use their bargaining power with doctors and hospitals to pay them less, forcing them to recoup their expenses by charging Medicare more.[41]

Many policy prescriptions are flawed by the nonsystemic assumption that the new course of action will leave untouched the environment with which it interacts: an actor sees that an action will be in his interest, all other things being equal, and neglects the fact that the adversary is likely to react, and so things are not likely to remain equal. For example, if we were not in a system, then lifting the arms embargo on Bosnia during the recent war would have strengthened that state. But Serbia and Crotia probably would have reacted by buying more arms and increasing their aggression. For the same reasons, tactics or exogenous changes that increase an actor's incentives to stand firm in bargaining may not increase the ability to prevail if the other's incentives are symmetrically increased as well. An adversary will gain more in terms of reputation by defeating a state that has committed itself to its position than it will if the state has not done so, for example.

Testing the validity of propositions is difficult in a system, because we cannot readily hold all other factors constant when the variable on which we are focusing influences the composition of the set of cases we are studying. While this phenomenon is most obvious when actors' calculations are involved, all that is required is for elements to be interconnected in a way that undercuts straightforward comparisons. Take, for example, the claim by Richard Lewontin, a noted biologist who usually thinks in systemic terms: "Scientific medicine has done little to add years to people who have already reached their maturity. In the last 50 years only about four months have been added to the expected lifespan of the person who is already 60 years old."[42] But the reasoning is incorrect, because the world that modern medicine has helped to shape is a very different one from that which existed earlier. Lewontin's data refer only to

[41] This point is missed, for example, in Milt Freudenheim, "Medicare, Jot This Down," *New York Times,* 31 May 1995, which moves from the basic facts to the conclusion that "business has a lot to teach the Government about controlling medical costs."

[42] Richard Lewontin, *Biology as Ideology* (New York: HarperCollins, 1993), 42–43.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

those who live past 60, and if health science has saved people who otherwise would have died young—people who are not as strong and healthy as others—then the fact that life expectancy after 60 has grown a bit indicates, not the weakness of modern medicine, but its potency.

The situation poses more hurdles for testing propositions when at least one actor calculates the expected impact of the variable in question. To extend the example in the previous paragraph, people may engage in more health-threatening activities because of their faith in the health system, in which case medicine would have heightened the challenges it faces and any increase in life expectancy would show that health care had improved greatly. To put this in the terms used earlier, the validity of obvious tests is undermined by the ability of people to use resources for their own purposes, which may differ from those who provided them. Thus Richard McKenzie and Gordon Tullock note that if we introduced a new way of teaching economics and found no increase in the students' learning, this would not mean the experiment had been a failure: the students might have been able to learn the required material more quickly but chose to use the liberated time not to study more economics but to do better in other subjects or to go to the movies.[43]

In politics as well, our tests have to be sensitive to the possibility that the impact of a variable may be reflected in the actors' choices and, therefore, may not be apparent in the outcomes. For example, one central argument of deterrence theory is that in situations resembling the game of Chicken an actor can increase his chances of prevailing by showing the other side that he is committed to standing firm. The obvious way to test this proposition would be to compare the outcomes of two sets of crises, one in which an actor had committed himself and another in which he had not. But situations in which crises occur when the defender has made a commitment are likely to be different from those that occur in the absence of such pledges, which means that we cannot construct comparisons in which all variables save one are either the same or are randomly different. To be specific, a challenger will move in the face of a commitment only when he is either unable to understand the situation or is extremely strongly motivated to prevail. In either case, he is likely to be particularly difficult to dissuade. Commitment thus might decrease the number of challenges, but not allow the defender to beat back those that do occur.

When actors choose a course of action on the basis of what they think it will produce, we cannot employ comparisons appropriate to a laboratory experiment in which actors were randomized and assigned their behaviors. For example, assume that a comparison of cases in which a state sought to protect itself by threats with instances in which it employed conciliation reveals that

[43] Richard McKenzie and Gordon Tullock, *The New World of Economics: Explorations into the Human Experience,* rev. ed. (Homewood, IL: Irwin, 1978), 285–88. For a discussion of how we are to evaluate programs in light of complications like this, see Irwin Deutscher, "Toward Avoiding the Goal-Trap in Evaluation Research" in Francis Caro, ed., *Readings in Evaluation Research,* 2nd ed. (New York: Russell Sage, 1977), 229–31.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

one method worked more often than the other. Such a finding would be interesting, but what could we make of it? Because the state selected its approach by estimating how alternative policies would work in the particular circumstances it faced, we could not infer that the state would have done better to have used the more successful tactic in the other cases. The tactic that failed more often may have been applied in cases that were more difficult or that were not suited to the more successful approach. Of course, we can try to control for as many situational factors as possible, but the statesmen may well look at more subtle cues than we do. To take a case from domestic politics, it may simultaneously be true that members of Congress can increase their chances of reelection by doing extensive work for their constituencies and that a comparison of members who do a great deal of such work with those who do not would reveal no correlation with electoral results, because a member may undertake these activities only when his position is weak.[44]

Standard methods of testing propositions are even more problematic when each actor knows that behavior reveals characteristics that are believed to be linked to what the actor will do later in the interaction. Thus common sense would indicate that big and strong men are more likely to try to fight back against a mugger than are women or smaller men. But the situation is unlike an experiment, not only because muggers do not pick their victims at random, but because victims know this. Thus if a person who appears able to defend himself is attacked, he may realize that only a particularly strong, vicious, or highly motivated mugger would attack him and therefore conclude that fighting back would be especially foolish. The resistance rates among various kinds of victims would then not vary.

Acting in a System

Much of this article has argued that systems do not easily accommodate our desires. With so many forces responding to each other, unintended consequences abound, and the direct path to a goal often takes one off in a quite different direction. This seems like a gloomy picture for those who seek change. But there is more to it than that. The fact that there is no straightforward way to reach one's goal does not mean that there is no way to reach it. I will close by discussing three general methods of acting when interconnections are prevalent and powerful. First, people can constrain other actors and reduce, if not eliminate, the extent to which their environment is highly systemic and characterized by unintended consequences. Second, understanding the system may enable people to compensate for the results that would otherwise occur. Third, people may be able to proceed toward their goals indirectly and can apply mul-

[44] Douglas Rivers and Morris Fiorina, "Constituency Service, Reputation, and the Incumbency Advantage" in Morris Fiorina and David Rohde, eds., *Home Style and Washington Work: Studies of Congressional Politics* (Ann Arbor: University of Michigan Press, 1989), 17–45.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

tiple policies, either simultaneously or sequentially, in order to correct for or take advantage of the fact that in a system consequences are multiple.

Although an interconnected system is always in motion, the degrees of freedom are not unlimited. Sometimes systems are or can be rendered less than completely system-like in their responsiveness: situations and policies can box them in and facilitate action; constraint can be induced by foreclosing options and severing interconnections. Many military tactics use some forces to pin the enemy in his positions, while others surround or attack him.[45] Sometimes an actor can provide similar constraint by anticipating the other's likely reaction and either neutralizing or discounting for it. Thus when Henry Rowan donated $100 million to Glassboro State College, in order to prevent the state of New Jersey from cutting its contribution to the college and thereby taking much of the gift for itself, he specified that none of the money could be used for operating expenses or capital projects.[46]

More generally, the belief that undesired results are likely if decision makers do not take unusual steps may lead them to take such steps and prevent the natural outcome from occurring. This is Arend Lijphart's explanation for why many countries are stable in spite of—or really because of—the presence of factors that predispose them toward instability. In studying democracy in the Netherlands, he found that the circumstances were not propitious. The population was divided by reinforcing cleavages of ethnicity, language, and religion. Common sense and many social science theories predict that the result would be violence if not civil war. The reason this did not happen, Lijphart discovered, was that the leaders understood that this was a likely outcome, did not want it to come about, and so crafted a policy of moderation and compromise. This happens in other countries as well.[47]

The basic dynamic is a form of what Albert Hirschman calls an "action-arousing gloomy vision."[48] If it is believed that a danger can be coped with by strenuous efforts, the anticipation of it can lead people to struggle to overcome it. Thus one study of why the horrifying forecasts of global starvation have not

[45] Basil Liddell Hart, "The 'Man-in-the-Dark' Theory of War," *National Review* 75 (June 1920): 473–84. In Charles Perrow's terms, these actions make the system more linear and loosely coupled: *Normal Accidents.*

[46] Jerry Gray, "Glassboro State College to Receive a $100 Million Donation," *New York Times,* 7 July 1992. Similarly, a Senate anticrime appropriations bill specified "that state and local governments would not be permitted to use it to replace money that they divert from crime-fighting to other programs." See Clifford Krauss, "Senate Approves Broad Crime Bill; Splits Over Guns," ibid., 20 November 1993.

[47] Arend Lijphart, *The Politics of Accommodation: Pluralism and Democracy in the Netherlands* (Berkeley: University of California Press, 1968); Lijphart, *Democracy in Plural Societies: A Comparative Exploration* (New Haven: Yale University Press, 1977); Jurg Steiner and Robert H. Dorff, *A Theory of Political Decision Modes: Intraparty Decision Making in Switzerland* (Chapel Hill: University of North Carolina Press, 1980).

[48] Albert Hirschman, *A Bias for Hope: Essays on Development in Latin America* (New Haven: Yale University Press, 1971), 284, 350–53; also see Hirschman, *Rhetoric of Reaction,* 153–54.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

so far turned out to be correct argues that they "resulted in tremendous efforts to increase food output."[49] Similar logic led Walt Rostow, Lyndon Johnson's national security adviser, to see a benefit in France's withdrawal from NATO's military machinery: "some European anxiety, if not excessive, could help diminish complacency about European security."[50] More generally, an awareness of the difficulty of procuring public goods can lead people to establish ingenious arrangements to secure them, even if conventional academic theories indicate that these results are not likely to succeed.[51]

Relatedly, although—or because—the domino theory holds that even small defeats produce positive feedback, because the state's adversaries and allies will infer that it is weak and prone to retreat in other conflicts. Leaders who believe the theory and who suffer limited defeats may act especially boldly to try to show that the theory is incorrect, or at least that it does not apply to them. In seeking to prevent the operation of the anticipated dynamics, statesmen then disconfirm the theory. Assistant Secretary of State for Southeast Asia William Bundy recalls that "The decision to compromise in Laos [in 1961] made it essential to convey by word and deed that the United States would stand firm in South Vietnam and the rest of Southeast Asia."[52] President John Kennedy felt the same way: "There are limits to the number of defeats I can defend in one twelve-month period. I've had the Bay of Pigs and pulling out of Laos, but I can't accept a third."[53] According to Richard Nixon's chief of staff, after having to make concessions to end the postal workers strike in 1970, the president sought to "fire a bunch of [air controllers] to prove government workers can't win by striking."[54]

Intriguingly, decision makers who understand this dynamic may expect a country that has been forced to back down in one confrontation to stand firm in the next. It was this reasoning that led a Soviet diplomat to oppose North Korea's Kim Il Sung's request to invade South Korea in the fall of 1949: "After their lack of success in China, the Americans probably will intervene in Korean affairs more decisively than they did in China and, it goes without saying, apply

[49] Peter Drucker, "The Changed World Economy," *Foreign Affairs* 64 (Spring 1986): 771.

[50] Quoted in Frank Ninkovich, *Modernity and Power: A History of the Domino Theory in the Twentieth Century* (Chicago: University of Chicago Press, 1994), 283. More broadly, peace in Europe may be guaranteed by the American military presence, which all parties want to see maintained so that old fears and rivalries do not reassert themselves: Robert Art, "Why Western Europe Needs the United States and NATO," *Political Science Quarterly* 111 (Spring 1996): 1–39.

[51] Eleanor Ostrom, *Governing the Commons* (New York: Cambridge University Press, 1990).

[52] Quoted in William Gibbons, *The U.S. Government and the Vietnam War,* Part II (Princeton: Princeton University Press, 1986), 41; also see 23–25, 32.

[53] Quoted in Arthur Schlesinger, Jr., *Robert Kennedy and His Times* (Boston: Houghton Mifflin, 1978), 761.

[54] H. R. Haldeman, *The Haldeman Diaries: Inside the Nixon White House* (New York: Putnam's, 1994), 145–46. The impulse to strike back after having been humiliated can also have psychological roots, especially for people with personalities like Nixon's. See Blema Steinberg, *Shame and Humiliation: Presidential Decision Making on Vietnam* (Pittsburgh: University of Pittsburgh Press, 1996).

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

all their strength to save Syngmann Rhee."[55] Similarly, shortly after the American defeat in Vietnam, Leonid Brezhnev said: "The fact is that to these defeats in social battles, to the loss of colonial possessions, . . . aggressive circles of the capitalist world react by furiously unleashing military preparations. They inflate their defense budgets . . . build military bases and undertake military demonstrations."[56]

Leaders who reason this way will call for caution rather than increased pressure after the other side has suffered a defeat. This means that the state that has retreated and its adversary will both behave oppositely from what the domino theory predicts, for they understand that the former will have to try to disconfirm it. Furthermore, if the defending state foresees this sequence, it can safely retreat in the first instance, secure in the knowledge that this will enable it to stand firm next time. We have come full circle: the common knowledge that dominoes will fall unless strong measures are taken leads people to anticipate such measures, and this expectation both makes later resistence less risky and removes the need to prevail in the initial confrontation.

A more general form of the processes described in the previous paragraphs is the tendency for people to act "in twos" when they fear that a single action will produce an undesired relationship or an unbalanced impression. I owe the phrase to Wallace Thies, who explains that the United States tried to orchestrate its policy in Vietnam by pairing coercive bombing with diplomatic overtures. In a variant of the familiar notion of combining carrots and sticks, American leaders felt that while bombing would put pressure on the adversary, if undertaken in isolation it might lead the North to believe that the United States would respond only to force. Diplomatic overtures carried the opposite danger of appearing weak. Proper policy, then, would combine both instruments.[57]

As is true for many of the dynamics we have described, actors can take advantage of the propensity for others to do things in twos. Thus during the spring 1972 North Vietnamese offensive, Henry Kissinger told Brezhnev that "the Soviets had an interest in preventing a North Vietnamese victory; I doubted that the President could come to Moscow [for the scheduled summit meeting] if we

[55] "Telegram from Tunkin to Soviet Foreign Ministry, 14 September 1949," translated by Kathryn Weathersby, *Cold War International History Project Bulletin,* No. 5, Spring 1995, 7. But it is also quite possible that the American refusal to intervene in China led Stalin to believe that America would not fight for Korea.

[56] *Pravda,* 26 October 1976, 2–3; I am grateful to Ted Hopf for this citation and translation.

[57] Wallace Thies, *When Governments Collide: Coercion and Diplomacy in the Vietnam Conflict, 1964–68* (Berkeley: University of California Press, 1980). Johnson explained to his advisers: "We've got to use both hands. It's like a prizefight. Our right is our military power, but our left must be our peace proposals. Every time you move troops forward, you move diplomats forward." Quoted in Brian VanDeMark, *Into the Quagmire: Lyndon Johnson and the Escalation of the Vietnam War* (New York: Oxford University Press, 1991), 201–2. As Thies explains, the policy failed in part because it could not be implemented as designed, although it seems doubtful that any feasible American actions could have produced an agreement at that time.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

suffered a defeat."[58] As baseball players complain to the umpire about the last call in the hope of influencing the next one, in domestic politics actors may claim that because recent government decisions have gone against them, the balance should be rectified by some desired program or appointment. Anticipating this process, people may vote for a leader whose political views are different from theirs in the expectation that, secure in her hold over her natural constituency, she will have to bend toward the opposite end of the political spectrum.[59] Leaders can utilize these dynamics as well: some conservative representatives from districts with active liberal groups may have voted for nuclear freeze resolutions in the early 1980s so that they could more safely vote for the new MX missile.[60]

As the previous paragraph implies, when a direct approach will fail, a more circuitous one may succeed. Indeed, pluralist politics, especially when it involves separation of powers, can be seen as arrangements and institutions that constitute a system to generate and deploy forces that will serve general social goals, although each actor seeks only a narrower self-interest. Factions in the polity and branches within the government are made to contend in order to govern, with the premise not only that excessive power leads to tyranny, but also that no one person or organ could successfully integrate all the information and interests in society. By structuring, channeling, and creating conflicts, the processes will sustain democracy; and over the long run, the results will be better than could be achieved by mandating the direct research for the common interest.

Indirect effects can be deployed by changing the incentives others confront, thereby steering them in a desired direction. Thus some people who are trying to preserve mahogany forests reject calls for a consumer boycott: "We should be buying tropical timber so that it remains valuable. If there's no market for the wood, the forests will be mowed down and the land turned to agriculture."[61] On a larger scale, economic interdependence often gains political support not by altering the beliefs or goals of top leaders, but by strengthening groups that

[58] Henry Kissinger. *White House Years* (Boston: Little, Brown, 1979), 1144. Kissinger calls this a "startling thesis." A more apt description would be shrewd and perhaps too clever by half, but not startling.

[59] For an example, see Robert Dallek, *Lone Star Rising: Lyndon Johnson and His Times, 1908–1960* (New York: Oxford University Press, 1991), 377.

[60] Janne Nolan, *Guardians of the Arsenal* (New York: Basic Brooks, 1989), 145–46; for another example see Adam Clymer, "Gingrich Won't Duck Tough Medicare Vote," *New York Times,* 18 October 1995. David Baldwin's point is perhaps better understood by politicians than by scholars: the common idea "that a broken promise has no value is . . . unacceptable. Anyone with children knows that breaking last week's promise to take them to the movies makes it much harder to break this week's promise." Baldwin, *Paradoxes of Power* (New York: Basil Blackwell, 1989), 125.

[61] Quoted in Les Line, "Advocates of Sustainable Mahogany Harvest Counter Boycott," *New York Times*, 4 June 1996.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

favor an open economic system and giving important actors a stake in foreign trade.[62]

More generally, actors may be able to manipulate the environments in which they or others act in order to generate desired behavior. Many political maneuvers have the effect—and some have the aim—of widening or narrowing the circle of those who are involved, thereby strongly influencing the outcome. Indeed, Schatterschneider argues that "the expansion of the political community . . . has been the grand strategy of American politics."[63] Even with size constant, actors can affect the contours of the political landscape in part, as Schattschneider shows, by increasing or decreasing the salience of issues that divide the community in different ways. Other manipulative strategies are familiar as well. H. R. Haldeman notes a "fairly typical strategy on Nixon's part—[was] to set up, or hope for, an external extremist view to be launched which would in turn bring counterpressure on the extremists of the other side instead of letting the current activist element dominate the debate and the action."[64] Relatedly, actors may be able to place themselves in a position where new forces will be acting on them, as politicians do when they seek to expose themselves to domestic attack if they retreat in a foreign dispute. Sometimes without following a conscious strategy, an actor can have a large indirect effect by framing an issue in a certain way, placing it in a different context, and getting people to regard it differently. These processes may have been the way in which *Brown v. Board of Education* so deeply affected American politics and society: although it did not produce much immediate desegregation, it altered the way people thought about race and about what policies and behaviors were legal, legitimate, and appropriate.

Effective action is often possible by employing multiple policies that constrain and work with the dynamics of the system. The fact that when we are dealing with a system "we can never do merely one thing" means not only that behavior rarely has only one effect, but, more importantly here, that in order to produce a desired change, the actor must do several things. Hardin, who coined this phrase, provides a good example: family planning will not be effective if many children die young, and improving public health in poor countries saves lives but also increases population and so may lead to massive starvation. But health care plus family planning may produce healthy, small families, and a stable society.[65] Other examples are not hard to find: a disease that defeats any single medication may be controlled by a combination of treatments; pests can be controlled—if they can be controlled at all—only by multiple lines of

[62] Helen Milner, *Resisting Protectionism: Global Industries and the Politics of International Trade* (Princeton: Princeton University Press, 1988); Scott James and David Lake, "The Second Face of Hegemony: Britain's Repeal of the Corn Laws and the American Walker Tariff of 1846," *International Organization* 43 (Winter 1989): 1–30.

[63] Schattschneider, *Semisovereign People,* 99–100.

[64] Haldeman, *Diaries,* 129.

[65] Hardin, "The Cybernetics of Competition," 80–81.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

attack; where a social reform that relies on either incentives or regulation fails, one that utilizes both may succeed; sending food aid to a country where people are starving often can and must be accompanied by measures to spur indigenous production; after World War II, West German reconstruction, let alone rearmament, would have been rejected by the West Europeans had it not been coupled with the continued presence of American troops and integration that speeded European economic recovery and tied Germany tightly to Europe.

Critics of social reform are correct to note that welfare can decrease incentives to work, that providing decent housing for the homeless will increase their number, and that building new highways is not likely to decrease traffic congestion. For related reasons, subsidized flood insurance can encourage people to live in areas that are prone to flooding, and systems to warn people of tornadoes may lead them to take fewer precautions and be less vigilant. In foreign policy, critics of a policy of deterrence point out that increasing defense spending often makes the adversary more belligerent. But this does not mean that nothing can be done, just that no single policy will be effective. Thus welfare programs can be coupled with education, job training programs, and work incentives; highway programs need to be accompanied by taxes on cars, lanes for car pools, and support for mass transit; flood insurance can be conditioned on requiring that homes be built to minimize water damage; warning systems can be coupled with educational programs stressing that they can never be perfect; deterrence often must be combined with reassurances.

In some cases, we know enough to specify the actions that will combine to produce the desired outcome. But more frequently we have only limited ability to anticipate what will happen. Multiple policies must then be applied sequentially, and actors must be ready to alter their behavior to cope with unintended consequences and the novel strategies that others employ.[66] Flexibility and resilience are necessary for effective action. Good generals not only construct fine war plans, but understand that events will not conform to them; doctors must shift medications as bodies and microbes react to treatments; the policy maker who is psychologically and politically unprepared for surprises is almost certain to fail.

In summary, the idea that social action forms and takes place within a system is familiar. In the study of international politics, the term "system" is commonplace, the most important book of the past decade[67] propounds a systems approach, and basic notions of game theory are staples of discourse. Nevertheless, scholars and statesmen as well as the general public are prone to think in nonsystemic terms. This is often appropriate; and few miracles will follow from thinking systemically, because the interactive, strategic, and contingent nature of systems limits the extent to which complete and deterministic theories are

[66] I am drawing on a slightly different formulation by Aaron Wildavsky, *Searching for Safety* (New Brunswick, NJ: Transaction Press, 1988), esp. 77–79 and 118–120.

[67] Waltz, *Theory of International Politics*.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

possible. But we need to take more seriously the notion that we are in a system and to look for the dynamics that are at work. A distinguished student of genetics summarized his perspective in the phrase: "Nothing in biology makes sense except in the light of evolution."[68] Very little in social and political life makes sense except in the light of systemic processes. Exploring them gives us new possibilities for understanding and effective action; in their absence we are likely to flounder.*

[68] Theodosius Dobzhansky, "Nothing in Biology Makes Sense Except in the Light of Evolution," *American Biology Teacher* 35 (March 1972): 125–29.

*This article is drawn from my book, *System Effects: Complexity in Political and Social Life* (Princeton: Princeton University Press, 1997). I am grateful to Jack Levy and Glenn Snyder for comments and to Jim Caraley for editorial advice.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Journals from SAGE

International Political Science Review

Revue internationale de science politique

The journal of the International Political Science Association

Edited by **Nazli Choucri** *Massachusetts Institute of Technology* and **Jean Laponce** *University of British Columbia*

"Its often fascinating achievements deserve wide attention." - Hayward R. Alker

The *International Political Science Review* has established itself as the journal of record for political scientists interested in advancing their discipline without the confines of parochialism. In the true intellectual tradition of IPSA it has continued to create and disseminate rigorous political inquiry free of sub-disciplinary or any other orthodoxy.

Contents include:

- Contrasting Unitary and Federal Systems **Daniel Elazer**
- Presidentialism versus Parliamentarism **Fred W Riggs**
- Contrasting Styles of Democratic Decision-making **Kenneth D. McRae**
- Choosing Electoral Systems **Pippa Norris**
- Citizenship and Nationality in Democratic Systems **William Safran**
- The European Origins of Legal Imperialism and Its Legacy in Legal Education in Former Colonial Regions **John R. Schmidhauser**

Published quarterly • ISSN: 0192-5121

Visit the SAGE website: http://www.sagepub.co.uk/

ORDER FORM FOR NEW SUBSCRIBERS - Subscribe at the Introductory Rate

SAGE Publications, 6 Bonhill Street, London EC2A 4PU, UK
Call our Subscription Hotline on +44 (0)171 330 1266 / Email: subscription@sagepub.co.uk

USA orders to be sent to:
PO Box 5096, Thousand Oaks, CA 91359

Name _____

Address _____

_____

_____ 7J25

❑ Yes! I want to subscribe to ***Int'l Political Science Review*** starting with Vol 19 (1998)

❑ **Introductory Rate for Individuals** £37/US$60 (Usual Rate £47/US$75)

❑ **Institutional Rate** £105/US$168

❑ Please send me a brochure on the journal

METHODS OF PAYMENT

❑ I enclose a cheque (made payable to **SAGE Publications Ltd**) for: ☐

Please invoice my credit card
❑ Mastercard ❑ Visa Amount: ☐

Card No: ☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐

Expiry Date: ☐/☐

Signature: _____ Date: / /

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Prospects for Elite-Driven Democracy in South Africa

JEFFREY HERBST

The seemingly miraculous advent of nonracial government in South Africa after four years of elite negotiations inevitably invites comparisons with Europe and Latin America, where pacts among leaders have often been said to be critical to successful democratic transitions. Indeed, the extraordinary agreement among the major players in South Africa has caused some to be optimistic about that country's democratic prospects. However, while there are similarities to the European and Latin American experiences, the particular circumstances that South Africa's elite-driven democracy confront make its long-term prospects more problematic. This article will assess the advantages and disadvantages of South Africa's particular pact in order to analyze how the country may evolve after apartheid and to understand how well the literature on elite agreements travels outside of Europe and Latin America.

The Logic of Pacts

The current literature on democratic transitions strongly favors elite pacts as the path most likely to result in democracy. These pacts define, through a combination of formal and informal agreements, the rules of the game for the future democracy. Fundamentally, they attempt to create a minimal set of expectations across a country's elite as to what can and cannot be done during the next regime. Pacts are particularly important in creating assurances that certain groups' fundamental interests, however defined, will not be threatened as the country moves into the necessarily more uncertain period of democracy. For

JEFFREY HERBST is associate professor of politics and international relations at Princeton University's Woodrow Wilson School. He has also been a Fulbright Visiting Professor at the University of Cape Town and at the University of the Western Cape and is the author of *State Politics in Zimbabwe* and *The Politics of Reform in Ghana*.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

instance, pacts often provide amnesties to leaders and their followers for crimes committed during the previous authoritarian regime. They often mandate rules for voting and governing that lead to large coalition governments, where all the relevant parties are "in" power to assure all groups that they will not be turned on by the new regime. As Adam Przeworski writes, "If a peaceful transition to democracy is to be possible, the first problem to be solved is how to institutionalize uncertainty without threatening the interests of those who can still reverse this process."[1]

The success to date of pacted democratic transitions in Europe and Latin America has emboldened analysts to make ambitious claims about the efficacy of elite-driven democracy. Terry Lynn Karl is typical in arguing that, "where democracies that have endured for a respectable length of time appear to cluster is in the cell defined by relatively strong elite actors who engage in strategies of compromise. . . ."[2] Karl, Giusseppe Di Palma, Alfred Stepan, and Guillermo O'Donnell and Philippe C. Schmitter all stress that elite pacts that include the important players are important in young, highly uncertain democracies.[3] Indeed, these same analysts are skeptical of democratic paths that are not brokered by elites. Stepan writes, "On theoretical grounds, therefore, one is tempted to argue that society-led upheavals *by themselves* are virtually incapable of leading to redemocratization but are, nevertheless, often a crucial, or in some cases an indispensable, component to the redemocratization."[4]

The case for pacts is based primarily on the Iberian, Southern European, and Latin American experience in the 1970s and early to mid-1980s. If the advocates of pacts had observed the successful, albeit shaky transitions in Central Europe post-1989 that were due to mass social upheaval, they might have been more willing to concede the viability of other paths to democracy. However, the authors have put forward an important set of suggestions that could provide lessons for other countries. Certainly, applying the pact literature to South Africa is particularly interesting, because, similar to parts of Europe and Latin America but in contrast to Central Europe, the white regime did not simply collapse. As a result, the African National Congress (ANC) is keenly aware that it will have to make peace with powerful white interests within and without the state if it is to rule successfully.

[1] Adam Przeworski, "Some Problems in the Study of Transition to Democracy" in Guillermo O'Donnell, Philippe C. Schmitter, and Laurence Whitehead, eds., *Transitions from Authoritarian Rule: Comparative Perspectives* (Baltimore: Johns Hopkins University Press, 1986), 60.

[2] Terry Lynn Karl, "Dilemmas of Democratization in Latin America," *Comparative Politics* 23 (October 1990): 9.

[3] See ibid., 8–11; Alfred Stepan, "Paths toward Redemocratization: Theoretical and Comparative Considerations" in O'Donnell, Schmitter, and Whitehead, eds., *Transition from Authoritarian Rule: Comparative Perspectives*; Guillermo O'Donnell and Philippe C. Schmitter, *Transitions from Authoritarian Rule: Tentative Conclusions about Uncertain Democracies* (Baltimore: Johns Hopkins University Press, 1986), 37; and Giusseppe Di Palma, *To Craft Democracies: An Essay on Democratic Transitions* (Berkeley: University of California, 1990), 87.

[4] Stepan, *Paths Toward Redemocratization*, 79. (Emphasis in original.)

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Indeed, it is particularly important to apply the pact literature to South Africa in order to understand the validity of the findings reported to date. The case for pacts seems to assume that if elites are willing to cooperate, the prospects for democratization are improved dramatically. There is relative less emphasis on structural factors—including the state of the economy, the socioeconomic characteristics of the polity, or the country's export profile—and their role in determining the prospects for democratization. The stress on elite autonomy is especially notable given the emphasis that some of the same authors—notably O'Donnell—in the past placed on economic and bureaucratic structures in analyzing authoritarianism.[5]

At the very least, the literature on pacts is very much at odds with an older literature on democratization that placed more emphasis on structural factors, such as level of income and education affecting prospects for democratization.[6] Only by transporting the pact literature outside of Latin America and Europe will it be possible to understand if the slighting of structural factors was because of the peculiar features of those regions or because pacts really are that important.

The Long Road to a Pact in South Africa

One of the major ironies of the negotiated settlement in South Africa is that none of the major players could have imagined such a result only a few years ago. The ANC tried for decades to convince successive white regimes to make concessions through peaceful protest. Congress finally turned to violence in 1961 and placed primary emphasis on armed struggle as the means to achieve power. The *Strategy and Tactics* document produced at the ANC's First Consultative Conference in Morogoro, Tanzania, in 1969 was typical in claiming that winning freedom via armed struggle was "the only method left open to us."[7] Sixteen years later, at its Second Consultative Conference in Kabwe, Zambia, the ANC saw no reason to change its view that the white government, then led by President P. W. Botha, was "still determined to defend the apartheid system of white minority rule by force of arms."[8]

The intransigence of the white regime made any immediate negotiations seem improbable. The Kabwe Conference noted simply that "we cannot even consider the issue of a negotiated settlement of the South African question

[5] For instance, Guillermo O'Donnell, *Modernization and Bureaucratic-Authoritarianism* (Berkeley: Institute of International Affairs, 1979), 101.

[6] For instance, Robert Dahl, *Polyarchy* (New Haven: Yale University Press, 1971).

[7] African National Congress, *Strategy and Tactics*, reprinted in Sheridan Johns and R. Hunt Davis, eds., *Mandela, Tambo and the African National Congress* (New York: Oxford University Press, 1991), 282.

[8] African National Congress, *Political Report and Communique of the Second National Conference of the African National Congress* in Johns and Davis, eds., *Mandela, Tambo and the African National Congress*, 292.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

while our leaders are in prison."[9] Indeed, the ANC was pessimistic that any solution short of total warfare could be arrived at. Congress argued in 1987 that the increased repression brought by the Botha government would eliminate any chance of meaningful negotiations and "bring to the fore the prospect of the bloodiest conflict that our continent has ever seen."[10]

There was a similar reluctance on the part of successive white regimes to develop specific proposals for power-sharing. While there was a continual, obsessive debate among the chattering class in white society about what to do about the country's future, there was nothing through most of the 1980s from those at the apex of power on what a negotiated settlement might look like. In 1983, President Botha did win approval in a referendum among whites for a new parliament that allowed separate chambers for whites, Indians, and coloreds but not for Africans, who form an absolute majority in the country. Whether this reform was simply an attempt to enlarge the white coalition to include those who were not Africans in a desperate attempt to retain power or the first step in a planned sequence of reforms is unclear. However, the township revolts between 1984 and 1986 and the subsequent State of Emergency ended whatever thought Botha may have had of reform. In the critical "Rubicon" speech given in 1985 at a party conference in Durban, Botha said "most leaders in their own right in South Africa and reasonable South Africans will not accept the principle of one-man-one-vote in a unitary system."[11] As late as 1988, Botha compared constitutional reform in South Africa to America and Switzerland and seemed to imply that the process would take generations. He also reaffirmed that calls for change were still viewed as fundamentally threatening white interests: "South Africa is subject to, and has been subjected to, a total onslaught in the economic, military, social and political fields, and we have progressed far in combating that total onslaught."[12]

Getting to Yes

While the story of how South Africa's negotiations progressed is a long and complex one that will not be fully understood until the major actors write their memoirs, some of the dynamics are clear. To simplify, leaders of both the ANC and the government recognized by the late 1980s that their maximalist demands could not be met. Nelson Mandela came to understand that the government could not be overthrown and that the attempt to mobilize the population for armed struggle would only lead to disaster. In a 1989 letter to Botha which set

[9] Ibid., 292–3.

[10] ANC, "Statement of the National Executive Committee of the African National Congress, October 1987" in Johns and Davis, eds., *Mandela, Tambo and the African National Congress*, 294.

[11] "Extracts from South African President P. W. Botha's Speech," *Reuters North European Service*, 16 August 1985.

[12] "South African President Assesses His Achievements after 10 Years in Office," *BBC Summary of World Broadcasts*, 1 October 1988.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

the stage of negotiations, Mandela wrote: "I am disturbed, as many other South Africans no doubt are, by the specter of a South Africa split into two hostile camps; blacks . . . on one side and whites on the other, slaughtering one another; by acute tensions which are building up dangerously in practically every sphere of our lives, a situation which, in turn, preshadows more violent clashes in the days ahead. This is the crisis that has forced me to act."[13]

Mandela's letter reflected a consistent theme in his analysis of the country's prospects. Twenty-five years earlier, at the Rivonia Trial where he was charged with treason, Mandela had argued that the creation of the ANC's armed wing was necessary because, "violence by the African people had become inevitable, and that unless responsible leadership was given to canalize and control the feelings of our people, there would be outbreaks of terrorism that would produce an intensity of bitterness and hostility between the various races of this country which is not produced even by war."[14] It must have appeared to Mandela that his apocalyptic warnings of twenty-five years before were about to be realized.

At the same time, there was growing realization within the official white community that grand apartheid was not viable. This evolution came about in part because, while the security forces waged an extraordinarily successful campaign against the ANC throughout Southern Africa during the 1980s, there was little doubt after the 1984–1986 township uprisings that the country was less secure than ever before. The international sanctions, refusals by foreign banks to roll over loans, and the sports and cultural boycotts also made it clear to white leaders that they would never be accepted internationally until minority rule ceased. Perhaps most importantly, there was an acknowledgement within the government that the very structures of apartheid were imploding. Even in Botha's Rubicon speech—widely viewed as a reaffirmation of apartheid—there was an admission that influx controls (the set of laws and practices that kept many Africans from migrating to the white cities), the very core of grand apartheid, were too costly to operate.[15] Or as F. W. de Klerk would later admit, "If our old policy, which was so unpopular in many circles, could work, then we would have surely clung to it. But as responsible leaders charged with the government of the country, we came to the conclusion that the policy we had planned could simply not work. . . ."[16]

[13] Nelson Mandela, "Statement to President P. W. Botha" in Johns and Davis, eds., *Mandela, Tambo and the African National Congress*, 218.

[14] Nelson Mandela, *No Easy Walk to Freedom* (London: Heinemann, 1965), 164. Mandela's concern reflected a persistent thread in the official thinking of the ANC. Chief Albert Luthuli (a previous president-general of the ANC) had made much the same warning during his Nobel Peace Prize address in 1961. Excerpts of the speech are quoted in Mary Benson, *Chief Albert Luthuli of South Africa* (London: Oxford University Press, 1963), 55.

[15] Botha speech, 16 August 1985.

[16] "De Klerk Interviewed on Talks with ANC," *BBC Summary of World Broadcasts*, 9 May 1990, part 4.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

At the same time, events in the late 1980s may have convinced both the ANC and the white government that the other side had become weak enough that a minimally acceptable future was possible. The ANC sensed by the 1985 Kabwe Conference that the strategic balance was changing because of the internal unrest inside South Africa and the white regime's growing international isolation. Further, at a critical moment, Mandela defined ANC interests in a way that allowed for negotiations. In his 1989 letter to Botha, Mandela took the important first step by stating that the two fundamental issues for him were majority rule in a unitary state and the establishment of safeguards for the white majority.[17]

This offer had two significant features. First, a minimalist bottom line was created, because Mandela was essentially suggesting that there were many different possibilities for South Africa as long as there was universal suffrage within a unitary state. Everything else, apparently, was negotiable. Indeed, shortly after being released from prison in 1990, Mandela said, "Once you decide to negotiate, compromise is always possible. There can be no compromise on the demand for one-person, one-vote and the total scrapping of apartheid in all its forms. But all others are subject to compromise . . . and negotiation."[18] Mandela's position may have been the only one possible if negotiations were indeed to begin. However, his decision to adopt a minimalist bottom line and then to suggest that many issues were negotiable would leave the ANC vulnerable during the transition process, because there were so few issues that it had actually made a credible commitment to.

The second effect of Mandela's letter was to place guarantees for whites in the new South Africa at the same level of importance as the universal franchise. Indeed, Mandela would continually legitimate de Klerk's demands for special guarantees. Soon after being released from prison, the ANC leader said: "We are aware of the concerns of the whites, that the realization of our demand of one person, one vote, will result in the domination of whites by blacks. We regard this fear as being genuine. Those fears are not really misconceived, because they possibly might arise."[19]

Mandela admitted that the agenda he offered to Botha was his own but that he hoped that in due course the ANC would endorse his initiative.[20] In fact, Mandela's constituency would be continually surprised at the minimalist nature of the ANC's bottom line, because they were never prepared for an end to apartheid through negotiations. The ANC had always assumed that, during the endgame, it would be negotiating from a position of strength with a weak, divided white government facing the prospect of an all-out race war. As a result,

[17] Mandela, "Statement to President P. W. Botha," 225.

[18] Scott Kraft, "ANC is Flexible, Mandela Says," *Los Angeles Times*, 1 July 1990.

[19] Vivienne Walt, "Mandela: We Could Back De Klerk," *Newsday*, 21 February 1990.

[20] Mandela, "Statement to President P. W. Botha," 217. Mandela had acted in much the same way in pushing the ANC toward violence in the early 1960s. See Nelson Mandela, *Long Walk to Freedom* (New York: Little, Brown, 1994), 236.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

there was little, if anything, in the ANC's rhetoric before 1990 to prepare its followers for a postapartheid future structured through a series of compromises with a strong and confident white leader. For instance, Mandela's initial diplomacy with President F. W. de Klerk met with tremendous criticism at the ANC's third consultative conference held in Johannesburg in December 1990.[21]

For the whites, two events in 1989 caused a fundamental change in their vision of a minimally acceptable future. First, F. W. de Klerk succeeded P. W. Botha. De Klerk carried none of the baggage associated with Botha: he was from a later generation of Afrikaners confident of their position and not scarred by the long battles with the English; he apparently took a dim view of the security forces that Botha (a former minister of defense) had integrated into the highest levels of government; and he was not so personally associated with the defense of apartheid and the State of Emergency. This is not to say the de Klerk came to power as a reformer. In fact, de Klerk was from the more conservative wing of the National party (NP), and there was little in his background as an almost classic Afrikaner politician and as the son of a leading NP politician to make one believe that he would quickly move to dismantle apartheid. However, the leadership change at least opened up the possibility of a different white negotiating stance. Indeed, de Klerk began his critical 2 February 1990 speech to parliament (when the ANC was unbanned) on a strikingly different tone from Botha's talk of a total onslaught seventeen months before: "[there is] the growing realization by an increasing number of South Africans that only a negotiated understanding among the representative leaders of the entire population is able to ensure lasting peace."[22]

The second critical development was the collapse of communism worldwide, symbolized by the fall of the Berlin Wall in November 1989. De Klerk understood before almost any one else that communism's failure would have a profound effect on the ANC's project. In the same 2 February speech, de Klerk actually analyzed the changes in the world before turning to events in his own country. De Klerk argued: "The collapse, particularly of the economic system in Eastern Europe, also serves as a warning to those who insist on persisting with it in Africa. Those who seek to force this failure of a system on South Africa, should engage in a total revision of their point of view. . . . Southern Africa now has an historical opportunity to set aside its conflicts and ideological differences and draw up a joint programme of reconstruction."[23]

De Klerk argued that the fall of communism created "a new scenario." As a result, there was "a window of opportunity [for South Africa] which, if not seen and used, would have been a major blunder."[24] Indeed, the massive failure

[21] See David Ottaway, *Chained Together: Mandela, De Klerk and the Struggle to Remake South Africa* (New York: Times Books, 1993), 111.

[22] F. W. de Klerk, "Address by the State President," reprinted in Robert Schrire, *Adapt or Die: The End of White Politics in South Africa* (New York: Ford Foundation, 1991), 160.

[23] Ibid., 162.

[24] Arnaud de Borchgrave, "De Klerk Sees Open Society in Six Months," *Washington Times*, 14 June 1990.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

of communism gave de Klerk considerable confidence that the radicals had, in his words, been "castrated."[25] He seemed certain that the ANC would be prevented from engaging in some of the more radical policies that it had always been associated with, notably the nationalization of the banks and the mines, and that what redistribution did occur would be moderated significantly by the new realities of the international economy. In fact, while the commitment to socialism among Congress members varied, there is no doubt that the fall of communism left the ANC without even a set of first principals.

Since he was negotiating from strength and grabbing the initiative, de Klerk established a far more elaborate bottom line than Mandela. De Klerk said that South Africa would not have elections for a new government unless the following conditions were met:

- The establishment of strong and entrenched regional governments with adequate budgets and "vested with wide and meaningful powers and functions."
- Entrenched power-sharing within the executive, including the Cabinet.
- The right to private property.
- A Senate to guard regional interests and a Bill of Rights enforced by a special constitutional court.[26]

De Klerk also indicated very early in the negotiating process that proportional representation was the only acceptable voting system, given that the white presence in parliament would disappear if there was not an arithmetic connection between votes and seats.[27] Further, in contrast to Mandela's willingness to compromise on most issues, de Klerk said, "I want to say here and now that this government will not be frightened or threatened into making any concessions on principle with regard to these fundamental matters."[28]

De Klerk was also under much more immediate pressure to provide in detail to whites what the future would hold and visibly to bind his constituency to himself. While he understood that the end of the cold war presented whites with the opportunity for a soft landing, this view was not necessarily shared by the average white citizen. Instead, the end of the cold war could have been viewed as an opportunity to crush the ANC, not negotiate with it. Also, inevitably, whites would be unhappy about the transition process that their leader initiated because they were being asked to give up their monopoly on power, despite the fact that there was no imminent military threat to their continued rule, a gambit that may be without precedent in human history. In return, they were to receive what amounts to an intangible: a better life over the long term than

[25] "Interview with F. W. de Klerk," *Foreign Broadcast Information Service—Africa*, 7 September 1993, 17.

[26] "De Klerk Lays Out Bottom-line Stand," *Calgary Herald*, 13 October 1992.

[27] Transcript of the American Broadcasting Company *Nightline*, "An Interview with F. W. de Klerk," 13 February 1990.

[28] *Calgary Herald*, 13 October 1992.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

they probably would have had if they insisted on defending apartheid until the violent, bitter end. Guaranteeing as specifically as possible that their future would not be too unattractive was, therefore, a critical element of de Klerk's strategy.

Indeed, de Klerk had an immediate problem with his constituency when his party lost several by-elections in late 1991. Recognizing that he had to have his own camp firmly behind him, de Klerk called for a March 1992 referendum of white voters to ratify his decision to seek significant constitutional change.[29] Although de Klerk had long promised such a referendum, the fact that he actually called it was an extraordinary gamble. There was some reason to believe that he would lose, a result that would have probably thrown the country into chaos. In fact, in a result that surprised almost everyone, de Klerk won two-thirds of the vote with overwhelming support in almost all areas of the country. The clear backing of his constituency gave de Klerk an enormous edge in negotiating with an ANC that could not formally poll its followers and was therefore much less clear on how much the people it spoke for actually supported the proposals it was making.

Early in the negotiations, the two major parties judged that their fundamental interests could be accommodated through negotiations and that they would not do better through unilateral action. As the ANC noted in its critical *Strategic Perspective* document: "The apartheid power bloc was no longer able to rule in the old way. Its policies of repression and reform had failed dismally; and it faced an ever-deepening socio-economic crisis. At the same time the liberation movement did not have the immediate capacity to overthrow the regime."[30] The leaders understood that their interests would best be served by cooperating with one another. Since this strategic evaluation came from the very top, the leaders would always be ahead of their followers during the transition. (Both Mandela's letter to Botha and de Klerk's initial address to parliament unbanning the ANC were surprises to even their close associates.) As a result, both leaders would be in continual, dual negotiations with their followers and with the other side.

Resolving Conflicts

Rather than go through the exceedingly complex negotiations chronologically,[31] hindsight suggests that the resolution of disputes can be divided into

[29] Brendon Boyle, "De Klerk Says Disaster is Alternative to Reform," *Reuters North American Wire*, 23 February 1992. Some of de Klerk's senior advisers have told me that the decision to call the referendum was in part influenced by the fate of Mikhail Gorbachev. It was the opinion of some around de Klerk that Gorbachev had lost control of the reform process he initiated because he never received firm electoral support from any constituency.

[30] African National Congress, *Negotiations: A Strategic Perspective*, (Johannesburg: ANC, November 1992).

[31] For a clear narrative of the process, see Steven Friedman, ed., *The Long Journey: South Africa's Quest for a Negotiated Settlement* (Johannesburg: Raven Press, 1993).

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

three simple categories. First were issues where, once the negotiations began, there was almost immediate agreement between the two major parties. Especially important here are the decision to use proportional representation (although the exact type of list was subject to dispute), to have a Bill of Rights, and to have a separate judicial branch. There was immediate recognition that, given the ANC's level of support, only proportional representation would avoid shutting out other parties from representation in parliament.[32] The ANC was also keen to prevent any government from abusing civil rights in the manner that the NP did, while the white party did not want any future government to be able to exercise as much power as it did in the past. As a result, de Klerk achieved much of his bottom line without a dispute. Correspondingly, very significant aspects of the future state's design were determined with an absolute minimum of public discussion.

The second area is where the National party basically won the intellectual argument. This is especially important with regard to the security of private property. Upon his release from prison, Nelson Mandela did promise to keep the ANC's long-time stand of nationalizing the banks and the mines. However, Mandela and at least the top ANC leadership were eventually convinced that in the 1990s, when capital can move quickly between countries, their 1950s-style economic platform was no longer viable. By late 1994, top ANC officials, facing seemingly unlimited demands for social services, began to publicly broach the prospect of privatizing certain state assets, a posture that would have been heretical only a year or two before. As de Klerk had understood, the worldwide movement against not only communism but socialism simply overwhelmed the ANC.

It is unlikely, however, that the ANC's followers have undergone a similar intellectual conversion. The education of the ANC's leadership was largely behind closed doors, especially by former Minister of Finance Derek Keys, foreign governments, and multilateral development organizations or at high-level economic meetings such as those held in Davos, Switzerland. Perhaps inevitably, given the steep learning curve that the ANC leadership has followed, the gap between its leaders and followers regarding the recent embrace of conventional economics is particularly great. The worries of the ANC leadership—especially that foreign firms might not invest quickly or that the whites might leave with their capital—may not be pertinent to their followers, who have been told for decades that foreign firms were exploiters and who may not feel the need to make sacrifices so that the whites will stay.

Another important area where there is a noticeable convergence was in regards to federalism. The ANC, understandably given the history of the homelands (the "countries" and territories created by the whites to denude South Africa of Africans), initially viewed any significant devolution of powers away

[32] See, for instance, African National Congress, *Constitutional Principles for a Democratic South Africa*, April 1991, part II, section 4.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

from the central government, which it was sure to control, as a way of continuing white rule through subterfuge. However, ANC officials were eventually convinced that there were real advantages to a federal system both for public administration purposes and to reassure the whites.[33] Also, as the ANC became more familiar with the logic of elections, it realized that it was assured of winning almost every region of the country, no matter how the districting was done.

The third type of issue was where there was no intellectual convergence, but the conflict was resolved through negotiations. For instance, while there was an agreement on federalism, there was considerable disagreement concerning the demarcation of the country and the role that the new provinces would have. Similarly, there was a general understanding that there should be an amnesty and provisions to protect civil servants (a key de Klerk constituency) but disagreement on the nature of these provisions. Critically, the protagonists disagreed on whether these issues should be resolved before or after the white government left power. Indeed, anticipating the importance of this issue, even before Mandela was released, the ANC stated that it wanted the white government to resign and that an interim government should rule until there was an election for a constituent assembly that would write the final constitution. As Thabo Mbeki, then the ANC's secretary for external affairs said, "There is no seriousness in the suggestion that a white-majority regime should be given the task of supervising a process that must lead to the demise of that regime and its replacement by a government elected by a nonracial majority. . . ."[34] The demand that a constituent assembly write the constitution was identified as a key issue in the Harare Declaration passed by the Organization of African Unity (OAU) in 1989 and by the ANC's February 1991 *Strategy and Tactics* paper.[35] The ANC wanted to backload as much of the writing of the constitution as possible, because it knew that it would be in a much stronger position after the elections.

De Klerk understood the importance of the timing issue and took the opposite tack. The South African president made it clear in mid-1989 that the basic constitutional framework would have to be negotiated before elections were held.[36] He naturally wanted as much decided before the election as possible, when he was in power and when the ANC was only one of many parties around a negotiating table.

[33] See comments by Zola Skyweyiya, at that time head of the ANC's Constitutional and Law Department, in Chris Louw, "ANC Slices up South Africa—and PW Smiles," *Weekly Mail* (Johannesburg), 4 August 1993.

[34] William Claiborne, "ANC Assails De Klerk on Interim Rule," *Washington Post*, 28 November 1989.

[35] Organization for African Unity, *Harare Declaration* (OAU: Harare, 1989), section 21.5; and ANC, *Advance to National Democracy: Guidelines on Strategy and Tactics* (Johannesburg: ANC, 1991), section 22.1.

[36] "South Africa Major TV Interview with F. W. De Klerk," *BBS Summary of World Broadcasts*, 22 August 1989, part 4.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

The disagreement over when the rules should be written was a major obstacle to reaching a quick settlement. In Mandela's letter to de Klerk on 9 July 1992, after the negotiations had temporarily broken down, the ANC leader cited the insistence of the NP on elevating transitional arrangements regarding federalism and power-sharing to the "central focus" of negotiations as one of the main reasons for deadlock.[37] This was also an area, unlike many, where there could be no compromise or resort, as with the rules regarding financial flows between the central and provincial governments to a commission.

The question of transition rules was important for two reasons. First, there may very well have been substantive points that the NP could win if issues were decided before a constitutional assembly was convened. As the government-in-power, the NP had analytic capabilities and access to data that were often far superior to the ANC's resources. Second, the symbolism to all concerned was extremely important. The ANC wanted very much to demonstrate the fundamental nature of the transfer of power by having relatively few restrictions on its actions dictated by the old white government, while the NP was equally concerned to demonstrate that it had not simply capitulated to the ANC.

Eventually, the ANC largely conceded this issue. Given its initial preferences for a quick transition and in light of the minimalist bottom line created by Mandela, the ANC's attachment to the specifics of how the constitution was written was simply not strong enough to expend political capital and delay the negotiating process. The ANC—acting as the government-in-waiting—understood that time was not on its side, because a long, violent transition process would only make its ability to govern in the future more problematic. As the ANC admitted in its November 1992 position paper on negotiations: "Delays in the process of peaceful transformation are not in the interests of the masses, who seek liberation now, and do not enhance our possibilities to effect the transformation of genuine democracy as effectively and as speedily as we should."[38]

Significantly, the ANC signaled its backdown soon after the shocking massacre in Bisho in September 1992, when ANC forces tried to overthrow the government of the Ciskei homeland and were met with armed resistance from the homeland's army that resulted in twenty-eight people being killed. The battle was widely seen as a preview of the costs that a campaign of mass mobilization to overthrow the white government might entail. Unwilling to bear these costs, Mandela went back to the negotiating table, although it was unclear that de Klerk had actually met key ANC demands regarding violence. However, Mandela said, "We want to break the deadlock because if we don't I fear that the economy is going to be so destroyed that when a democratic government comes into power it will not be able to solve it."[39]

[37] Nelson Mandela, "Memorandum to Mr. F. W. De Klerk, July 9, 1992," 4, reprinted in Constitutional Development Service, *Negotiation Process: Basic Documents*, Part I (Pretoria: Constitutional Development Service, 1992).

[38] ANC, *Negotiations: A Strategic Perspective*, 4.

[39] Rory Channing, "Mandela 'Frightened' by Dangers to Economy," *Reuters North American Wire*, 15 September 1992.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Indeed, Mandela was clearly threatened by the prospect of ANC followers taking the initiative and disrupting the planned transition. During an interview in which he sought to calm white fears after Bisho, he said, "The youths in the townships have had over the decades a visible enemy, the government. Now that enemy is no longer visible, because of the transformation that is taking place. Their enemy now is you and me, people who drive a car and have a house. It's order, anything that relates to order, and it is a very grave situation."[40] A clearer statement on the need for elite cooperation in the face of mass mobilization could not have been made.

As a result, in late 1993, the major actors in South Africa except for Chief Mangosutho Buthelezi's Inkatha Freedom party agreed to an interim constitution, which set the stage for the April 1994 elections. The interim constitution included many constraints on the design of the final constitution, eventually written between 1994 and 1996 by the parliament sitting as a constitutional assembly. For instance, de Klerk did meet his original goal of establishing a set of regional governments with entrenched powers as the provinces were demarcated and some of their powers defined in the interim constitution. As a result, de Klerk also minimized public input into the future design of the constitution, as the interim constitution was written only in consultation with the ANC's leadership.

The South African Pact

The interim constitution established the framework for the Government of National Unity (GNU) which came to power after the April 1994 election. The GNU very much corresponded to pacts found elsewhere in the world. The interim constitution required that the second-place party (the NP) be able to nominate a deputy president (de Klerk) and that every party that garnered at least 5 percent of the vote receive a number of cabinet portfolios concomitant with its vote. Mandela even committed himself to changing the constitution so that those parties that did not receive 5 percent of the vote could still be part of the government of national unity.[41] In addition, there was also a Senate, with ten members appointed from each of the nine provinces in order to provide regional balance. The GNU was to last until April 1999, but the NP withdrew in June 1996, soon after the final constitution was drawn up.

The government of national unity had a complicated series of rationales. The ANC was eventually persuaded to have a coalition government after it won the election, instead of before, as it had originally demanded. The ANC recognized that it would still have to come to a modus operandi with the security forces, the army, and the civil service. As a result, in 1992, it proposed a govern-

[40] *The Argus* (Cape Town), 15 September 1992, 13.

[41] "Mandela Calls for Groups to Join National Unity Government," *Foreign Broadcast Information Service—Africa*, 12 September 1994, 7.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

ment of national unity that would have to expire after five years.[42] De Klerk's reasoning was similar. He called for "a period of, let me call it, almost unnatural stability, during which we need in a concerted way to address the fundamental problems of poverty, of crime, of the need for economic growth. We need a success period during which we can create the atmosphere to once again have the liberty of having the typical type of party-politicking, which I don't think our country can afford at the moment."[43]

However, the five-year unity arrangement was different from the permanent power-sharing arrangement that de Klerk had originally wanted. The ANC did win its demand for a relatively quick sunset for the national unity government, while de Klerk would have preferred that it continue indefinitely. However, de Klerk may not have felt that permanent power-sharing was necessary given how much input he eventually won in the design of the constitution, especially with regard to the protection of private property. In fact, de Klerk soon found that being a junior partner in a unity government so obscured his own party's identity that he left the GNU. While the NP's departure was a sign of its electoral weakness, it was also a sign of how successful it had been in institutionalizing the concessions it had won, especially the guarantees surrounding private property. The former ruling party understood that it did not have to be part of the government to insure that the agreements forged during 1990–1994 were implemented.

Both of the major parties were especially eager to include Inkatha in the national government so that Buthelezi and his ethnic Zulu party could not be a disruptive influence in the new South Africa. Persistent fears that Buthelezi would opt for the "Savimbi option,"[44] made including him in the grand coalition an imperative for the major South African parties. Buthelizi's powerbase of KwaZulu/Natal was kept as one province, even though it should have been divided given how big it is, in order to reassure Inkatha's leader that his power would not be undercut during the transition from apartheid. Indeed, the ANC and the NP deliberately ignored gross election irregularities in KwaZulu/Natal during the April 1994 elections in order to let Inkatha win one province and have significant representation in the Cabinet. As a result, Buthelezi, to the surprise of many, was part of the new national unity government and was therefore much less of a threat to the new South Africa.

Leaders and Followers

While South Africa does have many of the outward characteristics of a pact, the underlying politics are very different from the countries that have served as models for elite transitions to democracy. First, the degree to which South

[42] ANC, *Negotiations: A Strategic Perspective.*

[43] "De Klerk Discusses 100 Days," *BBC Summary of World Broadcasts*, 23 August 1994, part 4.

[44] Named for Jonas Savimbi, who relaunched the Angolan civil war after he lost the first round of the national elections.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

African leaders can deliver their constituencies is unclear. In Europe and Latin America, leaders and scholars were optimistic that pacts could work because the major players could speak for their constituencies. Critically, while the military may have been the greatest threat to democracy, its hierarchical nature meant that there was a reasonably good chance that pacts that assuaged the concerns of the generals would greatly reduce the possibility that any element of the armed forces would try to seize power. Labor and business, two other groups sometimes seen as threatening to democracy in Europe and Latin American, are also organized and susceptible to cooptation. As societies divided by class and with long party histories, some pacts may have also advanced in Latin America because civilian leaders were relatively confident that they could deliver their followers; this perception was shared by other members of the elite. For instance in Chile, creator of one of the classic pacts, party politics were stable from the beginning of the transition as the pattern of political contestation reverted to the class-based ideological clashes that characterized previous democratic episodes.[45]

However, in South Africa, the threat to the new democracy comes from elsewhere. Even the ANC recognized that, given South Africa's history of civilian control of the military, the probability of a coup was extremely low.[46] Business was, if anything, even more enthusiastic about the transition than many of the Afrikaner politicians who had helped to institutionalize apartheid. The labor movement was already in a formal electoral alliance with the ANC. Rather, it is the unorganized Africans, especially the millions of young people who live desperate lives in the townships, who pose the greatest threat to the ANC. These people supported the ANC during the election but, as Mandela repeatedly indicated, their allegiance to Congress is tenuous at best. The ANC is desperately concerned that the urbanized groups, who were so militant in their opposition to white rule, could quickly turn against the ANC either to join another party or in public demonstrations and violent protest.

Both parties approached the transition aware that they would have significant problems delivering their followers. The ANC, in particular, has always had a potential problem with coordination. As a liberation movement, it was banned from South Africa and had only the most limited physical contact with those who it said it spoke for. Further, the logic of the struggle against the white regime demanded that the ANC seek support among a wide variety of groups while enunciating no more than vague platitudes about what it would do once it came to power. As the ANC admitted in 1991: "The ANC is not a political party, but a liberation movement. It must therefore remain the political home for all individuals interested in and committed to this future, without regard to ideological beliefs that are not in conflict with its basic policy positions and pro-

[45] See Arturo Valenzuela, "Party Politics and the Crisis of Presidentialism in Chile: A Proposal for a Parliamentary Form of Government" in Juan J. Linz and Arturo Valenzuela, eds., *The Failure of Presidential Democracy* (Baltimore: Johns Hopkins University Press, 1994), 167.

[46] "No Coup against De Klerk Likely, says ANC Negotiator," *Reuters Limited*, 29 November 1992.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

gramme."[47] Any concrete proposals would have simply alienated a potential constituency. As a result, support for the ANC has always been broad but shallow.

After being legalized in 1990, the ANC had little time to build the strong links between leaders and followers that would reduce the uncertainty regarding the ability of President Mandela and his colleagues to deliver their constituency. Almost immediately, the talks with the government became the prime concern of the ANC's leadership. The significant concessions made to de Klerk's party may have made the ANC even more uncertain of the extent to which it commanded the loyalty of the black youth in particular. Unfortunately, Chris Hani, the secretary-general of the South African Communist party and the man who could have been the bridge to the black youths (for whom he was as much a hero as Mandela) was assassinated in April 1993 by right-wing extremists.

While recognizing the importance of developing a clear political program, the ANC has, since its unbanning, also been unwilling to move too far from its origins as a mass movement. For instance, the *Strategy and Tactics* paper read by Deputy Vice-President Thabo Mbeki at the ANC's forty-ninth National Conference in December 1994 reiterated in quite bold terms the ANC's nature as a mass movement: "The ANC strategy of reconstruction and development has assumed a hegemonic status providing a global framework to every conceivable aspect of social activity. The fact of the leading role of this policy framework enjoins the ANC with political responsibility over a constituency as broad as South African society itself. In the real and practical sense of reconstruction and development the constituency of the ANC is the entire South African society."[48] By refusing to identify a particular constituency that it wants to lead, the ANC has made it more difficult to create concrete ties between leaders and followers.

Similarly, the National party's ability to lead its putative followers is unclear. The party that institutionalized racial domination is faced with the collapse of many of its local branches, the core of any party. Indeed, it is not even clear what the NP actually amounts to now that it has for the first time in over four decades been divorced from the government apparatus it shamelessly used to aid its supporters and repress the majority of the population. The 20 percent of the vote won by de Klerk in the April 1994 elections probably was more of a measure of the segment of the population that distrusts the ANC than an indication of the NP's underlying support. It is especially unlikely that the colored and Indian communities, who gave their former oppressors the majority of their votes, can be viewed as anything other than transient NP supporters hoping that other parties form soon. De Klerk's resignation from the NP in mid-1997, which included an admission that his time had past and that new leadership was necessary, was an obvious indication that the NP still had not found a convincing modus operandi for post-apartheid politics.

[47] ANC, *Advance to National Democracy: Guidelines on Strategy and Tactics*, section 46.

[48] ANC, *Strategy and Tactics* (ANC: Bloemfontein, 1994), section 8.7.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

After the April 1994 elections, the organizing principles of both the ANC and the NP became anachronistic. The question is no longer if apartheid should stay or go but how the country should address the enormous problems of poverty, social stratification, and institutional collapse. This new political landscape would normally demand that the ANC and NP split up and that new parties based on ideological, ethnic, or class concerns emerge. However, the leaders of both the major parties did not want this to happen, both because it might threaten their own personal interests and because such turmoil would threaten the transition.

As a result, not the least important effect of the pact has been to allow the major parties to continue when more "natural" politics would have demanded they split up. Proportional representation with national and regional lists determined by the parties obviously helped elites within both parties. Fundamentally, the power to choose specific parliamentarians is vested with the party rather than with the citizenry. While the ANC has tried to assign constituencies to their parliamentarians, the fact that the electoral fate of parliamentarians will not be determined by the voters they have been assigned to represent makes this strategy problematic.

The attractive logic of proportional representation is that it should allow new parties to emerge spontaneously. However, such a development was precisely what South Africa's elites had a joint interest in preventing, because it would mean at least the weakening or perhaps the abolishment of the ANC-NP condominium with all the uncertainty that such tumult would imply. As a result, the leaders worked together to preserve their own parties and limit the freedom of action of their followers. In particular, section 43 of the interim constitution declared that a person loses his or her seat in the National Assembly when the representative ceases to belong to the party that nominated the parliamentarian.[49] This provision was retained in the final constitution. A renegade party based, for instance, on a more radical redistributive agenda, will therefore be extremely difficult to form within parliament for the first five years or between elections. The NP cooperated in this process, because the white leaders had no interest in making it easier for mavericks to leave either the ANC or the white party. Indeed, given the whites' fear of the alienated black youth, de Klerk understood that it was in his interests to agree to rules that would keep the ANC together.

The preservation of the old parties through parliamentary procedure means that the post-pact future of South Africa may diverge considerably from the Latin American ideal. Clearly, the optimistic scenario is that countries can emerge from formal pacts with a clear, entrenched normative understanding among elites that the country will evolve in a manner that will not be too threatening to all concerned. Whether five years (the length of the Government of National Unity) will be enough time to allow leaders to build ties with their

[49] South Africa, *Government Gazette*, 28 January 1994, 26.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

followers is unclear. What is far more likely is that five years is just short enough to remind people that the current power-sharing arrangement will not last and that politics is likely to be qualitatively different soon. Already, some politicians in South Africa are beginning to position themselves for the first post-apartheid elections which must be held in 1999. For instance, one South African Communist backbencher said, "Our leaders are in partnership with the NP. They have to take a moderate and conciliatory line. The more independence we [parliamentarians] claim from the cabinet, the truer we can remain to the principles that got us elected in the first place."[50]

The ANC will not face a serious electoral challenge in 1999 because Congress is still widely popular, because the NP is imploding, and because other political parties are still ill-formed. In addition, inevitably the election will be a referendum on the performance of Mandela, who is even more popular than his party. Indeed, the transition to Thabo Mbeki, now the country's executive deputy president and Mandela's designated successor, will probably be seamless. However, after 1999, the real post-apartheid politics will begin, for the ANC will finally have to deal with its most difficult challenge: not relations with the whites but how to relate to its own, increasingly demanding followers.

A Pact for Extravagance or Austerity?

Another problem with the government of national unity is whether the effort to build a wide coalition and reach consensus will paralyze the government as it seeks to improve the welfare of the black majority. The pact literature is relatively optimistic about the economics of coalition government. For instance, Laurence Whitehead, after reviewing the Latin American experience, argues that inflation control during the early period of a pact government should be relatively easy, in part because of the guarantees given to the property-owning class.[51] However, pacts may place prohibitive odds against a country implementing significant economic and social reform. Indeed, some players joining a pact hope that the elite agreement will protect their economic position even as they cede some political power. This danger is frequently discounted by pact advocates. However, their failure to appreciate this problem may once again be due to the particularities of Latin America. In many ways, the greatest problems facing Latin America in the 1980s were inflation and the debt crisis. Governments were often more concerned with addressing the concerns of business and military elites than with answering populist calls for more spending.[52] There

[50] Quoted in Mark Gevisser, "Parliament: There's a Bottleneck in the Revolution," *Weekly Mail*, 18 November 1994.

[51] Laurence Whitehead, "Democratization and Disinflation: A Comparative Approach" in Joan Nelson, ed., *Fragile Coalitions: The Politics of Economic Adjustment* (Washington, DC: The Overseas Development Council, 1989), 88–9.

[52] Karen Remner, "Democracy and Economic Crisis: The Latin American Experience," *World Politics* 42 (April 1990): 335.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

was often a societal consensus that economic reform was critical, even if it was at the expense of growth because of the dramatic failures of populist experiments. At the same time, the collapse of socialism worldwide severely restricted any populist politicians and eliminated the threat from the hard left. Thus, a combination of domestic and international economic forces had lessened the salience of social transformation and thereby made the adoption of conservative economic policies by pact governments politically viable.

There are some reasons to be immediately skeptical that pacts can bring about socioeconomic transformation, as opposed to stabilization. Certainly, the pact literature is unselfconsciously at odds with the work on minimum winning coalitions that is associated with William Riker.[53] He stressed the need for politicians to create narrow winning arrangements, because grand coalitions by their very nature were so diffuse that governing was hard because so many different interests were represented. The problems posed by a broad coalition are obviously particularly great when redistribution is on the agenda. Advocates of pacts to some degree ignore the danger of diffusion becoming an overwhelming barrier to governance and to some degree accept it as the price new democracies have to pay to overcome uncertainty.

In its first three years, the Mandela government was fiscally quite conservative and managed to significantly reduce the budget deficit inherited from the last years of white rule, when the de Klerk government was extravagant in spending money it did not have. Faced with a run on the rand in the first half of 1996, the government has also committed itself to further liberalizing its economy in a package that broadly accords with current neoconservative orthodoxy. However, while the top leadership is committed to the reform, the government, predictably given the analysis above, has not managed to sell the program to its supporters. To some extent, it did not even try, for the new commitment to market-based measures was announced without consulting its allies in the labor unions. The unions, in turn, have been vociferous in rejecting the program of low deficits, privatization, and liberalization, although they do not have an alternative. Thus, while the Mandela government will not, given its electoral dominance, have problems implementing macroeconomic strategies by fiat (for instance, further exchange liberalization), it may not be able to commit credibly to implementing measures like privatization that take years to complete and require the cooperation of many different agencies who must be sensitive to public opinion.

Conclusion

One of the advantages of transporting a set of analytic propositions out of the area where they were developed is to see if there were underlying reasons com-

[53] See especially William Riker, *The Theory of Political Coalitions* (New Haven: Yale University Press, 1962).

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

mon to countries in a region that caused pacts to be unusually successful. Viewed through the optic of the South African case, it appears that certain features common to many European and Latin American countries were at least partly responsible for the optimism associated with pacted transitions. In particular, the fact that it was the military or other well organized interests in those countries that were the major threat to democracy is important, because these groups are vulnerable to the pact strategy.

When, as may be the case in South Africa, the major threat to democracy, or at least the major cause of uncertainty, is the more extreme followers of the major political parties who may form new parties or begin violent protests against the regime, pacts may lose some of their utility. This is not to suggest that the authors were wrong in their conclusions regarding pacts in Latin America. However, their enthusiasm for elite-driven strategies as a common path toward democracy may have been premature.

The critical difference may be between transitions to democratic forms and democratic consolidation. Transition and consolidation of democracy may well have been joint phenomenons in parts of Europe and Latin America, where there were large numbers of citizens with relatively high per capita incomes. Here there had often been previous democratic experiments to learn from, and the pact strategy did disable the greatest threats to democracy. Indeed, Di Palma actually argues that the agreement on transition, rather than the consolidation phase, is critical to democracy.[54] However, in South Africa and perhaps many other countries, the pact strategy may produce a successful transition that does not necessarily segue into consolidation. The South African pact, which aimed to freeze normal politics, may be an especially extreme example of the more general proposition that getting to democracy does not necessarily provide great certainty about the future of democracy.

It is clear from the South African case that structural aspects of the polity have to be considered, even if elites are cooperating. South Africa dramatically illustrates that leaders, especially of the caliber of de Klerk and Mandela, can critically influence the course of politics. However, there are clear warnings that it would be a mistake to ignore the factors that are outside the ability of leaders to influence. Indeed, if the South African case suggests anything, it indicates that all-consuming negotiating processes between elites often divert them away from other critical issues, including their relationship with their followers. Also clear from the South African case is that factors traditionally associated with democratization are important. In the South African case, the polarization of the society along racial lines will be a constant source of uncertainty that will plague the democracy for decades to come.

The elite negotiations that largely bypassed the population between 1990 and 1994 may have been the only means of bringing South Africa to the April 1994 election. Simply the achievement of coopting Buthelezi was extraordi-

[54] Di Palma, *To Craft Democracies*, 110–111.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

nary, given his potential to destabilize any government. However, the approach adopted did have the effect of delaying the inevitable political restructuring, with all the associated turmoil. Thus the usefulness of the South African pact is not yet evidence that there will not be considerable uncertainty about the new democracy's prospects in the future.*

* This article is based on a paper first presented at the thirty-third meeting of the African Studies Association, Toronto, November 1994. I am especially grateful to Steve Stedman for his comments.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

D E Shaw & Co

We know what it takes to earn an advanced degree. We want the skills that got you yours.

D. E. Shaw & Co., L.P., a rapidly growing global investment bank with an international reputation for financial innovation and technological leadership, is seeking unusually talented and accomplished individuals with advanced academic degrees in any area of the sciences or humanities. We are looking for graduate students and professors with a record of outstanding achievement who are open to the possibility of a career they might never have considered before. We neither require nor expect previous financial or technological experience; we believe that your particular talents, abilities, and inclinations will shape your role within the company. To pursue the possibility of a position in our New York, Boston, London, Tokyo, or Hyderabad (India) offices, forward your resume with a cover letter to grad@deshaw.com or to the Strategic Growth Department, D. E. Shaw & Co., 120 W. 45th Street, New York, NY 10036.

D. E. Shaw & Co. does not discriminate, in matters of hiring or promotion, on the basis of race, color, religion, gender, national origin, age, military service eligibility, veteran status, sexual orientation, marital status, or disability.

New York • Boston • London • Tokyo • Hyderabad

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Do Economic Crises Contribute to Economic Reform? Argentina and Venezuela in the 1990s

JAVIER CORRALES

The argument is often made by scholars and practitioners that economic crises are a blessing in disguise, since they contribute to the adoption and successful implementation of harsh measures of economic stability and structural adjustment (ESSA). Allan Drazen and Vittorio Grilli, for instance, argue that "crises and emergencies may be welfare-improving and hence desirable," because they make citizens and leaders more eager to embrace adjustment measures.[1] This argument has become almost indisputable. A recent review of the literature states: "[t]hat economic crises seem either to facilitate or outright cause economic reforms is part of the new conventional wisdom on reform."[2] In fact, so conventional is this view that some international policy advisers have actually been known to recommend to policy-makers that they wait until things get really harrowing before launching ESSA reforms.

This article argues that the hypothesis that economic crises facilitate economic reforms is often incorrect or insufficient. Crises do play a role in politics in general and in processes of economic reform in particular. But this role is hard to predict and seldom beneficial. In addition, the literature offers no consistent guidelines as to what constitutes "the real" crisis. Moreover, focusing on discerning the true parameters of the real crisis entails the risk of ignoring

[1] Allan Drazen and Vittorio Grilli, "The Benefit of Crises for Economic Reforms," *The American Economic Review* 83 (June 1993): 598.

[2] Mariano Tommasi and Andrés Velasco, "Where Are We in the Political Economy of Reform?" (paper presented at the Conference on Economic Reform in Developing and Transitional Economies, Columbia University, mimeo, May 1995), 13–14.

JAVIER CORRALES is assistant professor of political science at Amherst College. He specializes in the politics of economic reforms in Latin America and is currently writing a book on populists-turned-neoliberals in South America in the 1990s.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

other key issues such as citizens' perception of and tolerance for economic hardships, which can vary across countries and times. More important, even if there were agreement on a common, operationalizable definition of "the bottom," the connection between reaching this bottom and coming out successfully is far from automatic.

These points will be demonstrated by referring to some cases where reforms have been implemented, successfully and otherwise. Special reference is made to the cases of Argentina (1989–1994) and Venezuela (1989–1994), which constitute clear-cut dichotomies of divergent outcomes in processes of economic reforms. After launching similar programs of economic reforms, these countries undertook different political paths. In Argentina, both the reforms and the reformers acquired unimaginable political momentum and prestige. In Venezuela, they became amply repudiated by society in general. This article argues that this divergence cannot be explained by differences in economic crises at the start of the reform, as many analysts assume. More generally, it seeks to show that the argument that economic catastrophes are necessary for successful economic reforms is theoretically indeterminate and empirically questionable. The article concludes with a call for moving beyond the economic crisis hypotheses and suggests an alternative explanation to account for governmental capacity to implement reforms—namely, the extent of cooperation between the executive and the ruling party.

Crises Bring Change, But What Kind of Change?

Crisis, as a variable, has played an important role in political science as an explanation for change.[3] Crises disrupt old structures and make systems available for new ones. Wars, invasions, natural disasters, crass human mistakes, economic collapse, and political disasters are all likely candidates. Peter Gourevitch, who provides a prominent example of the use of crisis (in the form of global recessions) as an independent variable of domestic policy changes, elaborates on the role of crises: "[I]t is the crisis years that put systems under stress. Hard times expose strengths and weaknesses to scrutiny, allowing observers to see relationships that are often blurred in prosperous periods, when good times slake the propensity to contest and challenge. The lean years are times when old relationships crumble and new ones have to be constructed."[4]

Political scientists agree that crises cause breaks with the past, or critical junctures (that is, moments of deep institutional change).[5] Nevertheless, it is

[3] By the late 1960s, political scientists were beginning to invoke and systematize the crisis variable to explain change in political development. However, not all scholars were persuaded about the explanatory power of this variable. See, for example, Leonard Binder, ed., *Crises and Sequences in Political Development* (Princeton: Princeton University Press, 1971).

[4] Peter Gourevitch, *Politics in Hard Times: Comparative Responses to International Economic Crises* (Ithaca, NY: Cornell University Press, 1989), 9.

[5] See, for instance, Ruth Berins Collier and David Collier, *Shaping the Political Arena* (Princeton: Princeton University Press, 1991). For statistical proof that economic crises destabilize democracies

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

one thing to accept that crises produce change, and it is another to predict exactly what those changes will be. Even Gourevitch cannot easily explain which outcomes follow from each of the three historical crises that he studied.[6] Likewise, several studies have shown that political actors (be they states, organizations, groups, or individuals) tend to react differently to similar crises. For instance, a World-Bank sponsored study of eighteen countries that experienced similar "shocks" (in terms of trade and debt accumulation) after periods of similar "booms" showed an enormous response variation to basically the same crisis-input.[7] Some countries adjusted, others muddled through, others did nothing, and still others deteriorated further. Furthermore, the authors discovered, to their surprise, that there is no correlation between the severity of the crises and postcrisis economic performance.

Even within Latin America, the reaction to the same type of boom-bust cycle differed widely. This is the primary finding of John Williamson, who in 1990 asked the question: "how much has happened" in Latin America since 1982 (the onset of the debt crisis).[8] The answer was—very little: a handful of countries initiated reforms,[9] but the great majority postponed them. In Latin America in the 1980s, two deep-crisis cases (Chile and Peru) adopted completely different responses (orthodoxy and heterodoxy, respectively). A moderate-crisis case (Colombia under Belisario Betancourt Cuartas) adopted orthodoxy.[10] In Argentina and Venezuela, the variation was just as stark. Argentina's initial reaction to the 1983 crisis was to pretend that things would self-correct, whereas Venezuela implemented some adjustments. Several years later, Argentina decided to adjust (the 1985 Austral Plan), whereas Venezuela reverted to fiscal profligacy (1986–1988).

Authors who wish to explain this type of variation inevitably supplement the crisis variable with domestic-level factors. Jeff Frieden, for instance, proposes two domestic-level variables—intensity of labor-capitalist conflict and type of assets held by capitalists—to explain why the five major Latin American debtors responded differently to the 1980s debt crisis.[11] Where class conflict is

(especially poor ones), see Adam Przeworski and Fernando Limongi, "Modernization: Theories and Facts," *World Politics* 49 (January 1997).

[6] Each of the three global crises studies by Gourevitch (1873–1896, 1929–1949, and 1970–1980) entailed similar shock features, yet dissimilar outcomes both across time and across cases within the same time period.

[7] I. M. D. Little, Richard N. Cooper, W. Max Corden, and Sarath Rajapatirana, *Boom, Crisis, and Adjustment: The Macroeconomic Experience of Developing Countries* (New York: Oxford University Press for the World Bank, 1993).

[8] John Williamson, ed., *Latin American Adjustment: How Much Has Happened?* (Washington, DC: Institute for International Economics, 1990).

[9] Chile, Costa Rica, Bolivia, Mexico, Jamaica, Uruguay, and Trinidad and Tobago.

[10] Barbara Stallings, "Political and Economic Crisis: A Comparative Study of Chile, Peru, and Colombia" in Joan Nelson, ed., *Economic Crisis and Policy Choice: The Politics of Adjustment in the Third World* (Princeton: Princeton University Press, 1990).

[11] Jeff Frieden, "Classes, Sectors, and Foreign Debt in Latin America," *Comparative Politics* 21 (October 1988): 1–20.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

intense, the response to the crisis is more market-oriented than statist, because the private sector is inclined to delegate authority to governments. The assumption is that governments typically prefer market-oriented responses to crises. Stephan Haggard and Robert R. Kaufman also supplement economic crises within institutional features—low levels of polarization and fragmentation in the party system—to explain transitions to democracy and the market.[12]

And yet, Frieden cannot explain the timing of reforms (what explains the times that Argentina eschewed market responses?) nor their political outcomes (why were reforms repeatedly blocked in Argentina?). Moreover, financiers and industrialists alike were underground, but nonetheless real, enemies of reform in both countries, also in contradiction of Frieden's argument. The Venezuelan and Argentine stories in the 1990s also defy Haggard and Kaufman's model: the reforms were consolidated in the most polarized case (Argentina), not in the less fragmented and less polarized case (Venezuela).

In sum, economic crises can precipitate change. They might even precipitate the launch of ESSA reforms. However, there is ample evidence to suggest that knowledge about crises tells little about what follows: they do not always lead to clear breaks with the past, and even when they do, they do not determine the timing and direction of the change. Thus, the overall effect of economic crises in Latin America is that it engenders interesting but unpredictable variations in terms of timing, type, and outcome of reforms.

The Possible Link Between Economic Crises and ESSA Reforms

Numerous scholars remain convinced, nonetheless, that economic crises are a necessary precondition for the political consolidation of ESSA reforms. Few scholars actually argue that severe economic downturns cause reforms, but many accept that they pave the way. The common claim is that things need to get sufficiently bad before they get better. However, this conclusion is based on the fact that economic reforms have always been undertaken in circumstances of economic deterioration.[13] As Dani Rodrik clarifies, this observation borders on a tautology.[14] Reforms naturally must follow some type of breakdown, almost by definition. Moreover, the arguments about the connection between economic crisis and economic reform often confuse two different questions: what motivates states to launch reforms, and what allows them to succeed politically at implementing the reforms? Economic crises might generate a pol-

[12] Stephan Haggard and Robert R. Kaufman, *The Political Economy of Democratic Transitions* (Princeton: Princeton University Press, 1995).

[13] For example, in a study of twenty-four cases of public-sector reform attempts in the developing world, José Edgardo Campos and Hadi Salehi Esfahani find that 80 percent of the cases were preceded by economic downturns. See "Why and When Do Governments Initiate Public Enterprise Reforms?" *The World Bank Economic Review* 10 (1996): 469.

[14] Dani Rodrik, "Understanding Economic Policy Reform," *The Journal of Economic Literature* 34 (March 1996): 9–41.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

icy debate that in turn could expedite the state's decision to launch reforms. John T. S. Keeler argues that severe socioeconomic crises and electoral mandates open windows for reform, that is, allow governments to obtain from Congress sweeping reform bills.[15] Using prospect theory, Kurt Weyland argues that economic crises (worsening fiscal deficits, sharp external imbalances, or exploding inflation) place presidents in the "domain of losses," and thus more inclined to adopt risky policies.[16]

However, I am concerned with the capacity of governments to sustain approved reforms. A severe economic crisis might encourage Congress to grant the executive sweeping prerogatives to carry out a privatization program (as in Argentina 1989), but does it enhance societal cooperation with the reforms? Affirmative replies to the above question come in different versions. One is that crises create a "demand for adjustment"; after a country hits bottom, more people desire stability, which increases the chance for successful implementation. In the words of Adam Przeworski: "[I]f the government is bankrupt—if it runs a deficit and cannot borrow money—all politicians, regardless of their ideological orientations, electoral programs, and social bases will be willing to do what it takes to restore creditworthiness."[17] Weyland also argues that crises make citizens accept risky policies, because they, too, will find themselves in the domain of losses.[18] Another version of the argument suggests that severe crises demolish opposition to reform. Anne O. Krueger, for instance, argues that economic crises undermine the supporters of the status quo, rendering politics as usual no longer sustainable.[19] In other words, economic crises might expedite the attrition of opponents to the reforms, which, according to Alberto Alesina and Alan Drazen, is a precondition for successful implementation of reforms.[20] Aaron Tornell suggests that a reduction in economic rents brought about by an economic crisis destroys the "cohabitational equilibrium" among rent-seeking groups. Rather than cooperate with one another in exploiting rents and blocking reforms, rent-seeking groups turn against each other, some

[15] John T. S. Keeler, "Opening the Window for Reform: Mandates, Crises and Extraordinary Policy-Making," *Comparative Political Studies* 25 (January 1993): 433–486. However, John Williamson and Stephan Haggard argue that crises-generated policy debates do not always engender successful adjustment efforts. See "The Political Conditions for Economic Reform" in John Williamson, ed., *The Political Economy of Policy Reform* (Washington, DC: Institute for International Economics, 1994).

[16] Kurt Weyland, "Risk Taking in Latin American Economic Restructuring: Lessons from Prospect Theory," *International Studies Quarterly* 40 (June 1996): 191.

[17] Adam Przeworski, *Democracy and the Market: Political and Economic Reforms in Eastern Europe and Latin America* (New York: Cambridge University Press, 1991), 166.

[18] Weyland, "Risk Taking in Latin American Economic Restructuring."

[19] However, Krueger still suggests that even under severe economic crises, reforms might still not be successfully implemented. See "Virtuous and Vicious Circles in Economic Development," *American Economic Association Papers and Proceedings* 83 (May 1993): 351–355.

[20] Alberto Alesina and Allan Drazen, "Why are Stabilizations Delayed?" *The American Economic Review* 81 (December 1991): 1170–1188.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

of which even consider siding with the executive and accepting the costs of reform in order to inflict losses on other groups.[21]

Whatever the version, the argument is that the more intense the crisis, the greater the possibility of successful implementation of ESSA policies. Although few authors argue that economic crisis alone is sufficient, many believe that economic crisis is necessary, or at least conducive for reform sustainability. Scholars have thus formulated the hypothesis that Argentina's greater crisis in 1989 explains its success at reform, and Venezuela's lesser crisis explains its failure.[22] Even Argentina's minister of the economy during the bulk of the reforms (1991–1996), Domingo F. Cavallo, subscribes to this view. When asked to explain Argentina's turnaround since 1991, Cavallo typically prefaces his answers with a five-minute explanation of how hyperinflation paved the way.[23] International policy advisers have even recommended that domestic policy makers wait until things get harrowing before launching reforms.[24] A close examination of the Argentina and Venezuela cases reveals, however, the limitations of this reasoning.

Venezeula and Argentina between 1989 and 1994

In 1989 the newly elected administration of Carlos A. Pérez in Venezuela and Carlos S. Menem in Argentina launched similar programs of ESSA reforms—the *Gran Viraje* and the *Plan Rapanelli.* Both presidents came from historically statist, populist, labor-linked political parties: *Acción Democrática* (AD) in Venezuela and the *Partido Justicialista* (PJ) or Peronist party in Argentina. After enormous political difficulties, both countries were able to flaunt some reform achievements by mid-1991—resumption of economic growth, decline in inflation and unemployment, reserve replenishment, trade liberalization, the privatizations of the national telephone and air carrier. These accomplishments were neither politically easy nor conclusive (the reform agendas remained

[21] Aaron Tornell, "Are Economic Crises Necessary for Trade Liberalization and Fiscal Reform? The Mexican Experience" in Rudiger Dornbusch and Sebastian Edwards, eds., *Reform, Recovery and Growth* (Chicago: University of Chicago Press, 1995).

[22] See, for example, Weyland, "Risk Taking in Latin American Economic Restructuring." In reference to Argentina only, see Mario Damill and Roberto Frenkel, "Restauración democrática y política económica: Argentina, 1984–1991" in Juan Antonio Morales and Gary McMahon, eds., *La política económica en la transición a la democracia: Lecciones de Argentina, Bolivia, Chile y Uruguay* (Santiago: CIEPLAN, 1993). In reference to Venezuela, see M. I. Purroy, "Perspectiva económica 1994," *El Diario de Caracas,* 3 February 1994. Another example of a similar argument in reference to India, Mexico, Egypt, and Turkey is John Waterbury, "The Heart of the Matter? Public Enterprise and the Adjustment" in Stephan Haggard and Robert R. Kaufman, eds., *The Politics of Economic Adjustment* (Princeton: Princeton University Press, 1992).

[23] Based on declarations by Cavallo in interviews and several public fora.

[24] Pérez's two ministers of Cordiplan, Miguel Rodríguez and Ricardo Hausmann, expressed that they often heard and seriously considered these recommendations. (Interviews by author.)

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

packed), but they provided the reformers reasons to be optimistic about the future.

However, a dramatic turnaround occurred in each country by the end of 1991. Venezuela plunged into its most serious political crisis since the 1960s: uncontained civic protests, two military coup attempts in 1992, intense cabinet changes, interruption of most ESSA reforms, presidential impeachment in 1993, urban terrorism, and a devastating financial crack at the end of 1993. The Menem administration, on the other hand, began to thrive politically. The economic reforms acquired unprecedented momentum and prestige. By 1994 most business, labor, military, and opposition leaders came to endorse the new economic regime of fixed exchange rates, privatized services, fiscal discipline, deregulation and trade opening. Menem's political machine absorbed the right, fractured the main opposition party (the Unión Cívica Radical, *UCR*), disarticulated the left, and won the 1993 midterm elections, prompting the opposition to agree to reform the constitution to allow for Menem's reelection (the Olivos Pact). Menem's long-standing desire to rewrite the constitution, which only a year earlier remained an impossible dream, finally came true. In sum, approximately fifty months after the launch of similar economic reform programs, the Venezuelan reformer was dethroned while the Argentine reformer was crowned.

The Issue of Greater Crisis

To what extent does it make sense to assert that Argentina's crisis was more severe than Venezuela's? Based on economic figures alone, Argentina in 1989 seems to emerge as a far more dramatic case of debt-payment burdening, price and exchange rate instability, financial panic, economic recession, and credit rationing than does Venezuela. In fact, several Venezuelan economic indicators were even positive between 1984 and 1988 (for example, GNP growth).

Nevertheless, comparing numbers alone tends to ignore issues of diachronic relativity. Venezuela in January 1989 was in the midst of its most severe economic crisis since the 1930s. Venezuela's GNP was expanding but only as a result of deficit spending, growing indebtedness, and reserve burning. Artificial aggregate-demand boosting was a deliberate state strategy to hide the severity of the economic crisis for electoral purposes. But the severity of the crisis was real—very high and accelerating inflation for the first time ever, large trade and budget deficits, declining revenues, severe foreign reserve shortage (unusual for oil exporters), consumer goods scarcity, and growing social unrest. And yet, this was only the tip of the iceberg of a chronic, decade-old economic deterioration. Since the 1970s, Venezuela's economic competitiveness and living standards declined steadily. Despite the growth of GNP between 1984 and 1988, there is little evidence of any trickle-down effect. (See Table 1.) After peaking in 1982 at US $4,980, the GNP per capita declined to US $3,190 in 1988, roughly the same level as in 1977. Few countries experience such a dramatic (35 per-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

TABLE 1

Argentina and Venezuela—The evolution of GDP per Capita and Real Wages, 1980-1989 GNP per capital (US$ Atlas methodology)

	1980	*1981*	*1982*	*1983*	*1984*	*1985*	*1986*	*1987*	*1988*	*1989*	*Percent Change 1980-1989*
Argentina	2,700	2,720	2,670	3,000	3,400	3,150	3,380	3,320	3,550	2,820	4.36
Venezuela	4,120	4,800	4,980	4,860	4,330	3,910	3,640	3,240	3,190	2,530	−38.6
Latin America and the Caribbean	2,000	2,220	2,190	1,990	1,910	1,840	1,830	1,840	1,910	2,020	1.0
Middle-income Economies	—	—	2,210	2,120	2,060	2,000	1,980	2,010	2,100	2,230	0.9[a]

[a] Percentage change from 1982 to 1989.
Source: The World Bank, *World Tables 1994* (Baltimore: Johns Hopkins University Press, 1994).

	Real Wages (Indices)									
Argentina[b]	100.0	89.4	80.1	100.5	127.1	107.8	109.5	103.0	97.3	74.1
Venezuela[c]	100.0	—	100.0	98.4	93.5	84.2	85.4	74.4	66.0	48.6

[b] Average total monthly wages in the manufacturing industry; January-November 1989.
[c] Average wages of persons covered by the social security system, deflated by the price index implicit in the gross domestic product.
Source: James W. Wilkie, ed., *Statistical Abstract of Latin America*, part 1 (Los Angeles: UCLA Latin American Center Publications, 1993).

cent) decline in such a short period of time. Argentina certainly did not: its GDP per capita actually increased 32.9 percent during this period.[25] Venezuelan real wages between 1980 and 1988 also exhibit a dismal record (34 percent decline compared to 2.7 percent for Argentina). In 1988 alone, real wages declined 11.3 percent compared to 5.5 percent in Argentina.

Therefore, Moisés Naim does not exaggerate when he claims that at the start of the reforms Venezuela was "on the brink of hyperinflation and socioeconomic collapse."[26] This explains the major unrest that preceded Pérez (2,115 strikes, protests, and acts of public disorder in the previous three years—more than two per day).[27] According to Miriam Kornblith, Venezuela's overall

[25] In fact, Argentina's GDP per capita reached its highest level of the decade in 1988. Like Venezuela, Argentina's GDP per capita experienced a dramatic decline right around the time that the reforms were launched—a 20.6 percent decline from 1988 to 1989. It is unclear whether this occurred before or after the launch of the reforms in July 1989, but rough estimates suggest that possibly one-third of the decline occurred in July. However, even if the 1989 figures are used, the performance of Argentina's GDP per capita is 5.6 percent higher than in 1982, which is still far superior than the performance of Venezuela's GDP per capita. After 1982, Venezuela experienced dramatic declines in GDP per capita both before and after the launch of the reforms.

[26] Moisés Naim, *Paper Tigers and Minotaurs: The Politics of Venezuela's Economic Reforms* (Washington, DC: Carnegie Endowment for International Peace, 1993), 44.

[27] Interview with Joaquín Marta Sosa in *Cambio 16,* 20 June 1994. For a fuller account of societal turmoil in Venezuela in the 1980s, see Richard S. Hillman, *Democracy for the Privileged: Crisis and Transition in Venezuela* (Boulder, CO: Lynne Rienner, 1994).

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

post-1983 crisis—which included a much higher inflation than Venezuelans were accustomed to, sharp deterioration of purchasing power, and sharp increase in poverty—also explains the 1989 Caracazo, a series of urban riots in the largest cities. Military troops were employed to quell the riots.[28] For Kornblith and many others,[29] Venezuelans reacted violently to the package because the reforms ratified the reality of decline, which the average Venezuelan had become aware of but had been reluctant to accept. Thus, there is no real reason to assume that Venezuela was not in the midst of its severest economic crisis—internationally, fiscally, economically, socially, and politically—at the end of 1988.

The Right Crisis

The literature offers no consistent guidelines as to what constitutes the exact level of crisis that is necessary for society to acquiesce to harsh measures. By most accounts, Venezuela was experiencing all kinds of crises by the start of the reforms. But some scholars treat this bottom as insufficient. Countries with milder economic crises (Spain, Australia, Colombia, Costa Rica, Jamaica, Portugal, England in the 1980s and Egypt, India, Pakistan, and Turkey in the 1990s) or with no economic crises whatsoever (Indonesia 1986, Korea 1984, Malaysia 1991, and Pakistan 1990) have managed to implement and sustain reforms.[30] The bottom for Venezuela, therefore, seems to be different from that for other countries. For many years, the bottom for Argentina also seemed hard to locate. Argentina virtually lived in a nonstop sequence of economic crises since the mid-1970s, each one worse than the previous one. For all intents and purposes, the years 1976, 1980, 1981, 1982, 1983, 1985, 1987, 1989, and 1990 were all new bottoms. Each crisis prompted harsh stabilization efforts. All failed. As William C. Smith argues, Argentines reacted to each new bottom by engaging in a permanent "tug-of-war" and a "fierce pursuit of short-term payoffs."[31] Argentina's "culture of inflation," in which everyone expected inflation to continue, led most citizens to behave defensively. In short, Argentina's bottoms did not produce societal cooperation with reforms.

[28] Kornblith also mentions two additional factors that contributed to the Caracazo: the government's poor handling of the reform announcement and the situation of "speculation, hoarding and shortages" prevailing during the second half of 1988, which provoked "collective ire," including assaults against retailers during this period. See "Deuda y democracia en Venezuela: los sucesos del 27 y 28 de febrero," *Cuadernos del CENDES* 10 (1989): 17–34.

[29] For example, Víctor Fajardo Cortéz, "El colapso del paquete económico: causas, efectos y perspectivas, Venezuela 1989–1992," *Cuadernos del CENDES* 13 (1992): 27–52; and Naim, *Paper Tigers and Minotaurs.*

[30] See, for example, Campos and Esfahani, "Why and When Do Governments?"

[31] William C. Smith, "Hyperinflation, Macroeconomic Instability, and Neoliberal Restructuring in Democratic Argentina" in Edward C. Epstein, ed., *The New Argentine Democracy: The Search for A Successful Formula* (Westport, CT: Praeger, 1992).

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

In reality, no one knows for sure where the bottom lies. The most consistent clue that the literature seems to offer looks something like this: "After society touches 'bottom,' draconian measures to control inflation and neoliberal restructuring efforts no longer confront powerful blocking coalitions."[32] The problem with this guideline is that "bottom" is defined in terms of its presumed outcome, which reduces the explanatory usefulness of this guideline.

Even if the great-crisis-in-Argentina hypothesis is accepted, a question still remains: what explains Venezuela's accomplishments between March 1989 and February 1992? Political recovery from the Caracazo, privatization of the national telephone and airline companies, price liberalization, trade opening, stability in the exchange rate market, inflation reduction, record-breaking economic growth, decline in unemployment and poverty levels were not impeccable achievements, but they were not trivial either. Arguing that Venezuela lacked the right conditions for reforms (that is, hitting bottom) renders these accomplishments all the more impressive and puzzling.

It is also unclear that economic crises are always facilitators of structural adjustments. Economic crises actually complicate these efforts. Privatizations are a good example. As William Glade argues, while economic crises might make governments more willing to privatize, they also make the task of privatizing harder because "it is precisely then that the local private sector, struggling to maintain its solvency, is least able to absorb these firms, whose prospects are in any case darkened by the general economic adversity."[33] This hesitancy to invest (which also applies to international investors), together with the urgency to sell that characterize privatizations during hard economic times, are two of the most serious "pollutants" of privatization projects. They lead to technical mistakes, distortions, accusations of corruption, and even the preservation of competition-restraining stipulations, as is revealed by Menem's first privatizations.[34]

In sum, it is unclear that economic crises are a blessing in disguise. They do not necessarily clear the way for structural adjustment or any form of societal risk-taking. And their role with respect to economic stabilization is theoretically and empirically dubious, too. It is known, almost by definition, that once the bottom is reached, things will get better. But the literature offers only two clues about these bottoms. First, never believe your eyes. Even if a country reaches an historical low, succumbs to collective ire, or performs worse than other countries that have implemented reforms, it still might not have reached

[32] Guillermo O'Donnell, "The State, Democratization, and Some Conceptual Problems" in William C. Smith, Carlos H. Acuña, and Eduardo A. Gamarra, eds., *Latin American Political Economy in the Age of Neoliberal Reforms: Theoretical and Comparative Perspectives for the 1990s* (New Brunswick, NJ: Transaction Books, 1994), 175.

[33] William Glade, ed., *State Shrinking: A Comparative Inquiry into Privatization* (Austin: Institute of Latin American Studies, University of Texas at Austin, 1986), 143.

[34] Javier Corrales, "Coalitions and Corporate Choices in Argentina, 1976–1994: The Recent Private Sector Support for Privatization," *Studies in Comparative International Development* (forthcoming).

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

the bottom. The bottom is chameleon-like; it changes from country to country and from time to time. The second lesson is that in order to know where the bottom lies, one should not look at the level of crisis itself, but what follows. If you like what you see, then the bottom was reached; if you don't, then the bottom has yet to come.

Is Hyperinflation the Trampoline to Heaven?

Some political economists have proposed hyperinflation—a situation in which the monthly inflation rate exceeds 35 percent—as the mother of all crises.[35] Citizens who survive a hyperinflationary process never find words to describe the panic that envelops the nation during these rare historical moments. People's salaries, if not lifelong savings, evaporate in a matter of hours. For some scholars, this is the true bottom. In the words of Michael Bruno and William Easterly, "broader reforms [are] the children of high-inflation crises."[36] This is so for several reasons.

First, hyperinflation makes everyone, without exception, demand stability. The former complacency that allowed actors to "live with" high inflation disappears.[37] Hyperinflation creates a sense of urgency. Everyone wants something to be done. Thus, everyone applauds whatever is done.[38] Second, hyperinflation also boosts patriotism; people bind together to save the nation. They become intolerant of dissent, and moral denunciations of noncooperative behavior proliferate.[39] In a situation where everyone desires that something be done, obstructionism is not tolerated. Thus, enemies of reform are deprived of moral arguments and political allies. Third, hyperinflation might also solve once and for all the problems of noncooperation endemic to situations of economic uncertainty. The readiness of economic actors to defect or to abandon their commitment to cooperate is a common killer of stabilization packages. Actors refuse to moderate their demands or abide by new rules in fear that their coun-

[35] Some adhere to a stricter definition of hyperinflation—a monthly inflation rate above 50 percent. However, according to David W. Pearce, *The MIT Dictionary of Modern Economics,* 3rd ed. (Cambridge, MA: The MIT Press, 1991), 186: "Under conditions of hyperinflation prices rise 10 or even 100-fold in a single month.... The exact boundary between inflation and hyperinflation is difficult to define."

[36] Michael Bruno and William Easterly, "Inflation's Children: Tales of Crises that Beget Reforms," *American Economic Association Papers and Proceedings* 86 (May 1996): 214.

[37] See Dani Rodrik, "The Positive Economics of Policy Reform," *American Economic Association Papers and Proceedings* of the 105th Annual Meeting, Anaheim, CA, 5–7 January 1993, 83 (May 1993): 358.

[38] Pamela Starr, for instance, argues that hyperinflation in Argentina gave rise to a coalition of "strange bedfellows"—internationally-oriented business interests, some sectors of organized labor, and consumers—whose only common interest was to preserve low inflation. This coalition, she argues, constituted Menem's political base until 1996. See "Government Coalitions and the Viability of Currency Boards: Argentina Under the Cavallo Plan," *Journal of Interamerican Studies and World Affairs* 39 (Summer 1997): 83–133.

[39] See O'Donnell, "The State, Democratization, and Some Conceptual Problems."

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

terparts are doing or are about to do the same. By compelling actors to relinquish their selfish interests and mistrust of others, hyperinflation presumably puts an end to this tendency to defect.

Hyperinflation, the argument goes, is more than just an earthquake (the analogy for severe crisis); it is an atomic bomb. Unlike the most devastating earthquakes, no single structure from the old world emerges unscathed. Hyperinflation is a crisis of a different degree. Even the most recalcitrant enemies of reform, especially financial speculators, suffer a serious beating. Thus, it seriously shatters the opposition.[40] It is also the ultimate pedagogical experience. With hyperinflation, predatory actors suffer directly and intensely the consequences of their own behavior. This teaches them a lesson. The government, for instance, realizes the dangers of fiscal deficits and reckless money printing, elites experience first hand the dangers of speculating and constant state-plundering, politicians realize that inaction brings catastrophes, etc. In the end, hyperinflations prompt actors to grant reformers significant policy-making autonomy.[41]

The Evidence

These arguments sound persuasive. But when applied to the Argentine case, they can only account for the first three months in office of the Menem administration. A week prior to Menem's inauguration, Argentina experienced a weekly inflation rate of 50 percent. Menem enjoyed an outburst of state-society cooperation not seen since Raúl Alfonsín's honeymoon in early 1984. Almost every sector of society expressed support for his program. Menem obtained an alliance with two unlikely partners—the business conglomerate Bunge & Born and the conservative party, Ucedé, both of which were emblematic of anti-Peronism;[42] he also obtained significant powers from Congress, which was not yet controlled by the ruling party.[43]

[40] Vicente Palermo and Marcos Novaro, *Política y poder en el gobierno de Menem* (Buenos Aires: Grupo Editorial Norma, 1996), 244.

[41] Ibid.; and Guillermo O'Donnell, "Delegative Democracy?" (Working Paper no. 172, Kellogg Institute, University of Notre Dame, 1992).

[42] Bunge & Born (B&B) had always been seen as the nemesis of Peronism. In the early 1970s, Peronist guerrillas kidnapped top B&B executives in what became one of the most notorious and folkloric episodes in Peronist-business animosity ever. Likewise, the Ucedé comprised the most anti-Peronist sectors of Argentina, including military-sympathizers. Thus, most Argentines were shocked to learn that Menem invited B&B executives Jorge Roig and then Néstor Rapanelli and Ucedé president Álvaro Alsogaray to join the government (the first two as minister of the Economy, the latter as main adviser on foreign debt issues).

[43] The new Congress was not scheduled to start until December 1989. Between July and December 1989, the PJ was the largest minority in the Senate, two seats short of a majority and the second minority in the Chamber of Deputies. This Congress granted Menem the Law of State Reform, which mandated the privatizations of several hundred SOEs, and the Law of Economic Emergency, which froze all state subsidies and grants for a period of 180 days. The UCR showed its good will by providing the necessary quorum for these sweeping reforms.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

However, this winter wonderland proved to be fragile and very short-lived. The tug of war that characterized Argentine society in the 1980s, far from abating, actually intensified two months after Menem took office. (See Appendix.) Business pressures against the reforms, which had been strong since the very beginning, only continued to grow after August 1989. The ruling party, the labor unions, the opposition, the Congress, the Church, and the military increasingly challenged the government's economic programs. Five months into the Menem administration, state-society relations were back in disarray, with almost every interest group engaged in some form of noncooperative behavior.

The result was a major cabinet crisis in December 1989, triggered precisely by societal noncooperation, especially business refusal to accept the government's tax proposals. Economic uncertainty, speculation, and defection reemerged, leading to Argentina's second hyperinflation (December 1989 to February 1990) for no apparent economic reasons. Menem's first stabilization attempt lasted less than six months, considerably less than Alfonsín's Austral Plan.

Argentina's second hyperinflation bore no societal cooperation either. On the contrary, the willingness to defect and sabotage the reforms actually increased. The first major Peronist defection (the so-called Group of 8, although there were more than eight) and the most blatant refusal by the opposition to cooperate with the government occurred in the midst of this second hyperinflation. Deposits in foreign currency declined more than 42 percent between December 1989 and March 1990.[44] Labor conflicts peaked in March 1990 at 146 conflicts, more than tripling the figure from February.[45]

And even after the crisis subsided, calm was not restored: the rest of 1990 was plagued with labor turmoil, Peronist divisions, business mistrust, bankers' animosity, congressional inertia (even revolt), frenzied spending by provincial authorities and state-owned enterprises, bureaucratic infighting, military tensions (even insurrection), and the readiness of almost every economic actor to defect to dollars. Congress approved only two economy-related laws in 1990. Labor conflicts increased by 15 percent over the previous year.[46]

The government responded by enacting seven stabilization packages, superseding institutions, relying on decrees, privatizing almost by imposition, and pursuing a highly restrictive monetary policy that plunged the country into a severe recession. These efforts, however, brought little peace. Inflation remained at very high levels, and the government's credibility and popularity declined steadily. By January 1991, when the U.S. ambassador accused some government officials of corruption (the Swiftgate scandal), the government ex-

[44] Ministerio de Economía y Obras y Servicios Públicos, *Informe Económico Trimestral* (Buenos Aires: Ministerio de Economía, various issues).

[45] See Centro de Estudios Unión para la Nueva Mayoría, "Conflictos Laborales," (Buenos Aires, various years, mimeographed).

[46] See Delia Ferreira Rubio and Matteo Goretti, "Gobierno por decreto en Argentina (1989–1993)," *El Derecho,* Universidad Católica Argentina 32 (June 1994): 1–8.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

perienced its worst political crisis, coming very close to abandoning the reforms. In short, by early 1991, two hyperinflations only produced "governmental solitude."[47]

Advisers to the president recommended changing course, arguing that neoliberalism and rapprochement with the United States had not paid off.[48] For more than a week, Menem stayed quiet. In the end, he responded by deactivating his entire economic team (Central Bank, Public Works, and Economy). The industrialist union (Unión Industrial Argentina, UIA) was the first group to applaud.[49] Economic numbers in general, and the level of reserves in particular, were healthier than ever, but the credibility and popularity of the government had evaporated. Menem's approval rating in February 1991 plunged to the lowest level ever, 35 percent versus 70 percent in July 1989.[50]

The result was another financial panic and a run on the dollar in February-March 1991—not the most affable way to welcome a new economic team. In the words of a leading economic newsletter: "Argentine history repeated itself."[51] The monthly inflation rate skyrocketed from 7.7 percent in January to 27.0 percent in February, followed by another run on the dollar in March. Argentina teetered on the brink of a third hyperinflation. To stop this hyperinflationary surge, the administration spent substantial reserves. And yet, politics in general and the reforms in particular remained precarious until at least mid-1991.

Thus, during the twenty-four months that followed Argentina's 1989 hyperinflation, there is simply very little evidence of patriotic trust, nonopportunistic behavior, or willingness to cooperate on the part of Argentine economic and political actors. It is very difficult to make the case that there was a process of attrition of opponents of reform. The amount of opposition to the government actually increased during and after hyperinflationary episodes. Menem lost or succeeded in alienating all of his initial allies—his own party, Bunge & Born, the Ucedé, the American embassy, and even public opinion. One could make the case that the enemies of reform were not gaining strength during this three-year crisis. One could also argue that the societal unrest of this period represented the final gasp of agonizing interest groups. Yet, there is little evidence of an imminent death of antireform groups such as the industrialists, financiers, and labor, etc. These groups were proving to be just as effective in undermining the state as they had been in the past. One could argue that these groups were

[47] Palermo and Novaro, *Política y poder en el gobierno de Menem,* 165.

[48] Menem's initial reaction to the ambassador's accusation revealed how close he was to changing course. He lambasted the U.S. government for meddling in the internal affairs of Argentina instead of worrying about the legal troubles of George Bush's son. The Argentine press credits Domingo Cavallo for persuading Menem, against the advice of many other advisers, to moderate his remarks and persevere in the reforms. (See *Clarín*, 12 January 1991.)

[49] *Clarín,* 19 January 1991, 14–15.

[50] *Carta Económica,* February 1991.

[51] Ibid.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

still highly weakened. But the most salient feature of Argentine politics in early 1991 was the extent to which the state, after a politically healthy start in 1989, joined the ranks of the moribund by 1991. If anything, the real victim of attrition seemed to have been the government. Argentina's presumably agonizing society almost killed the government, much like cases in which a panic-stricken person who is drowning succeeds in drowning his or her rescuer as well. What allowed the state to turn this situation around and rescue itself and the country by 1992 was not hyperinflation, which was precisely what had brought the regime to its lowest point.

Latin America, Eastern Europe, and Central Asia

The evidence from other cases reveals that Argentina is not alone. While there are cases of deep reform implementation immediately following hyperinflation (Bolivia 1985–1986, Estonia 1992–1993), there are just as many cases to the contrary: Brazil (mid-1980s to late 1994), Peru (mid-1980s to early 1991), and Nicaragua (late 1980s). Rather than help the incumbents deepen the reforms, hyperinflation led to their electoral weakening or defeat, or forced them to carry out self-coups (Peru and Russia). While some countries have been able to eliminate very high inflation, few Latin American countries experiencing high annual inflation in the 1980s and 1990s managed to reduce annual inflation to single digits. Thus, Miguel A. Kiguel and Nissan Liviatan argue that there is something "different" about contemporary hyperinflations that renders them immune to traditional stabilization remedies; it is more difficult to persuade economic actors that a new regime will be set in place.[52] As a result, conventional stabilization efforts are unlikely to bring stability, but rather a recurrence of high inflation and even hyperinflation. In 1996 the International Monetary Fund (IMF) summarized findings that show that the higher the inflation rate of a country, the higher the probability that its inflation rate will be even higher the following year.[53] Policies such as indexation, accommodative exchange rate policies, budget deficits, etc. allow countries to live comfortably with high levels of inflation.

The same seems to be true in former socialist economies of Eastern Europe and Central Asia. First, once a country hits triple digit inflation, it usually takes four years, maybe even longer, to escape from this condition. Second, there is significant variation in levels of liberalization, even among cases with consecutive triple-digit inflation; but in general, the most hard-hit by inflation have been the slowest liberalizers. Of those countries that hit four-digit inflation, only two achieved high degress of liberalization (Lithuania and Kyrgyz Repub-

[52] Miguel A. Kiguel and Nissan Liviatan, "Stopping Three Big Inflations: Argentina, Brazil, and Peru" in Rudiger Dornbusch and Sebastian Edwards, eds., *Reform, Recovery and Growth* (Chicago: The University of Chicago Press, 1995).

[53] International Monetary Fund, *World Economic Outlook October 1996* (Washington, DC: International Monetary Fund, 1996), 114.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

lic); two achieved medium levels (Moldova, Russia); and nine achieved low liberalization (Armenia, Belarus, Ukraine, Azerbaijan, Georgia, Kazakstan, Tajikistan, Turkmenistan, Uzbekistan). None had achieved single-digit inflation rates by 1996. In Albania, Bulgaria, and Romania ESSA reforms also suffered setbacks in 1996. Third, countries that avoided high inflation (the Czech Republic, Hungary, the Slovak Republic) also scored high in the World Bank index of reform depth. Thus, the evidence from Eastern Europe and Central Asia as well as Latin America shows that hyperinflations are not trampolines to heaven; they are neither a sufficient nor a necessary condition for the successful implementation and consolidation of reforms.[54]

Alternative Explanations for Escapes from Economic Crises

Toward a More Nuanced View: Costs, Tolerance, and Perception

Dissatisfied with these guidelines, some authors have attempted to find better predictors of reform turnarounds. Luiz Carlos Bresser Pereira, for instance, proposes that ESSA reforms won't be adopted after crossing a predetermined, consistent-for-everyone line of economic deterioration, but will be adopted when the cost of adjustment becomes lower than the cost of inaction.[55] For Bresser Pereira, analysts who wish to predict reform adoption need only plot two lines on a graph—cost of inaction and cost of reform. But once again, the analyst is given no guidance on how to chart these lines.

Moreover, Bresser Pereira implicitly shifts the focus away from levels of crisis to levels of tolerance. This shift explains why Spain in the 1980s, whose crisis was not particularly grave even for southern European standards, successfully implemented ESSA reforms and why Brazil (and for that matter Argentina, Nicaragua, Peru) did not. Bresser Pereira would have to explain this disparity by arguing that these Latin American cases had a higher tolerance for the costs of inaction. Unfortunately, Bresser Pereira, like most of this literature, says very little about the determinants of this tolerance. He might be able to explain Venezuela's 1992 failure by hypothesizing a high level of crisis tolerance for Venezuela, but he would then be unable to explain the deep societal unrest that enveloped the country prior to the reforms.

An important issue often overlooked by political economists is the question of perception. A country can be in the midst of an economic crisis, but the population might perceive otherwise. This is a common argument among Venezuelanists. For instance, a former minister under Pérez argued: "In 1989, Venezuela's economic crisis existed on only the minds of administration tech-

[54] A summary table of this data is available from the author.

[55] Luiz Carlos Bresser Pereira, "Economic Reforms and Economic Growth: Efficiency and Politics in Latin America" in Luis Carlos Bresser Pereira, José María Maravall, and Adam Przeworski, eds., *Economic Reforms in New Democracies: A Social-Democratic Approach* (Cambridge, UK: Cambridge University Press, 1993).

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

nocrats."[56] Thus, the announcement by Pérez of a reform package did not ratify what people already knew, as Kornblith argues. It took them by surprise. But this line of thinking is also troublesome. It assumes a level of citizen ignorance that is undocumented. If this argument were correct, then the unrest that preceded Pérez seems to have been quite an uproar from a presumably unaware-of-a-crisis society. Some evidence actually suggests that Venezuelans were not oblivious. In a survey right before Pérez took office, people were asked what the new government's top priority should be. "Controlling the cost of living" was the top answer (40 percent) followed by "creating new jobs" (29 percent).[57] Another poll revealed that most Venezuelans agreed that both the country and their personal situations were in dire straits prior to the reforms.[58] The case that Venezuelans were totally crisis-unaware or solution-undemanding is thus not so easy to make. Quite the contrary, Aníbal Romero has pointed out that far from being oblivious to crises, Venezuelans have actually become immune to them: "so many warnings about a severe crisis over many years became tiresome."[59] Venezuelans are disenchanted with their leaders and institutions, but few believe that society-based sacrifices are justified.

Information Gap and Credibility Gap

Other scholars argue that Venezuelans were ill-informed not about the problems with the country but about the solution applied by Pérez. Long accustomed to statist solutions, Venezuelans knew little about the ways in which ESSA reforms were supposed to work. They wanted controls, not price liberalization. To a large degree, ESSA reforms are counterintuitive; stabilizing prices through price liberalization is not an easy-to-understand proposition for the nontechnical citizen. Thus, the government confronted an enormous pedagogical task, which many argue was where the Pérez administration failed the most:

[56] Eduardo Quintero, "The Venezuelan Case" in Rapporteur's report by Karissa Price, *Credible Signals of Reforming Governments: What to Believe?* Conference sponsored by Baring Asset Management Inc. and the Center for International Affairs, Harvard University, Cambridge, MA, 6 February 1995, 12.

[57] Poll conducted in the last week of January 1989, shortly before Pérez's inauguration and one month before the Caracazo, in David Myers, "Problemas y agenda para la gobernabilidad democrática" in Andrés Serbín, Andrés Stambouli, Jennifer McCoy, and William C. Smith, eds., *Venezuela: la democracia bajo presión* (Caracas: Instituto Venezolano de Estudios Sociales y Políticos y Editorial Nueva Sociedad, 1993).

[58] William Schulz, "Opinión pública, comportamiento electoral y la crisis política de los años noventa" (paper prepared for Consultores 21, Caracas, mimeographed, 1994). Like many other pollsters, Schulz finds it inexplicable that this widespread perception of hardship did not translate into widespread rejection of the president in office, Jaime Lusinchi. In fact, Lusinchi concluded his mandate with extraordinarily high approval ratings. This situation contrasts sharply with that of Argentina, where citizen perception of personal and national hardship translated into very low approval ratings for the incumbent, Raúl Alfonsín.

[59] Aníbal Romero, "Rearranging the Deck Chairs on the Titanic: The Agony of Democracy in Venezuela," *Latin American Research Review* 32 (1997): 12.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

"The government failed to explain properly its economic reform program; it did not communicate with people, and it did not listen to them."[60] The argument is, therefore, that Venezuelans were surprised by a set of reforms that they did not understand and that the government failed to explain.

No doubt, Venezuela's information gap was huge and remained somewhat unattended throughout the Pérez years. Yet, some caveats are in order. First, the Pérez administration did engage in communication efforts.[61] The problem was that domestic actors became unresponsive to, if not highly skeptical of, these communication efforts. More important, governability in general and the implementation of ESSA reforms in particular are not reducible to successful public relations. Although it is tempting to blame governmental failures on communication breakdowns, most often reforms collapse and societies rebel for more complex reasons. Actors often sabotage ESSA reforms not because they do not understand the reforms, but because they just dislike them. Other times, actors refuse to cooperate with the reforms, not because they do not understand them, but because they fear that their counterparts will get away with noncooperation. Marketing blitzkriegs contribute but are not sufficient antidotes against these challenges.

Nevertheless, the point could still be made that Venezuela faced a greater information gap than Argentina, where how to emerge from the crisis was a daily topic of conversation since at least the late 1970s, and especially during the 1989 electoral compaign. However, it is also unclear that the average Argentine was particularly well versed on the intricacies of ESSA reforms.[62] Although Argentines had more experience with stabilization efforts, this does not mean that they were experts on or fond of these efforts, as revealed by the low level of societal acquiescence to reforms since the 1970s. In addition, polls suggest that most Argentines had statist and antiprivatization preferences prior to 1989.[63] Argentines were thus far from enchanted by ESSA reforms, and for that reason the government too had to sustain a massive public relations battle. Clearly, the information gap was neither an exclusive attribute of the Venezuelan case nor entirely resolved by Argentina's long-standing economic crisis.

[60] Quintero, "The Venezuelan Case." See also Naim, *Paper Tigers and Minotaurs;* and Serbín, Stambouli, McCoy, and Smith, eds., *Venezuela: la democracia bajo presión.*

[61] For instance, the administration held regular meetings (more than twice a month) with the ruling party, the opposition, labor and business leaders, etc. In addition, massive TV campaigns were launched in support of CANTV's privatization and tax reform.

[62] In reality, only a small portion of the electorate in 1989 truly believed that the solution was a more intense type of market-oriented reforms such as Menem implemented, and these were mostly found in the small conservative party, the Ucedé. This party, however, was the least likely to expect that Menem would strike the right chord.

[63] See Eduardo Catterberg, *Los argentinos frente a la política: Cultura política y opinión pública en la transición argentina a la democracia* (Buenos Aires: Editorial Planeta, 1989). Another poll even revealed that only 25.5 percent of Argentines had a positive image of privatization policies compared to 38.6 percent who expressed having a negative image. *Carta Económica,* February 1994.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Nevertheless, higher economic instability and greater experience with stabilization packages in Argentina relative to Venezuela did create an important difference in terms of priorities. In Argentina, the most urgent political challenge was to address what Dani Rodrik labels the credibility gap.[64] When there is a long history of failed stabilization attempts, economic actors respond to new stabilization attempts with skepticism and behave in full expectation that the reform policies will fail. Except briefly during the Austral Plan (1985–1986), no stabilization effort in Argentina had succeeded in overcoming this credibility gap. This is not to say the Venezuela did not face a credibility gap; Pérez's populist background generated enormous skepticism. The argument here is that the credibility gap was more urgent in Argentina at the start of the reforms. Why did Argentina succeed in closing its credibility gap, whereas Venezuela never closed its information gap and even increased its credibility gap by 1992?

Executive-Ruling Party Cooperation

In explaining the Argentina-Venezuela dichotomy or any other instance of political success or failure at reform implementation, it is necessary to identify the factors that allow countries to overcome the information and credibility gap. A crucial variable is the evolution of executive-ruling party relations. Where a labor-linked, populist, traditionally Keynesian party exists, the consent of this party is a necessary condition for the governability of ESSA reforms. This consent, however, does not come automatically, even if these parties control the executive. This is because ESSA reforms confront these parties with significant political risks. In Venezuela, the ruling party virtually rebelled against the executive and his reforms at the end of 1991. In Argentina, the PJ overcame its initial apprehension and by 1991 granted the executive a working permit to proceed with the reforms.

There are multiple reasons for this difference in reactions on the part of the ruling party. A crucial one was the difference in executive policy toward the ruling party during the implementation period. Pérez, for example, insisted on pursuing a policy of relative autonomy vis-à-vis the ruling party. Party leaders were notified post facto about the letter of intent with the IMF that committed Venezuela to implement ESSA reforms. Less than one-third of the cabinet posts went to members of AD's central committee, a very low number for Venezuelan standards and one which declined further by 1991. AD was excluded even from the Ministry of Health and Social Assistance, historically a bastion of the ruling party. Pérez often admonished the party publicly for not having the wisdom and fortitude to adapt to new realities. For a party with such a long history of control of the state and its rents (more so than the PJ), Pérez's treatment was bound to be intensely hurtful.

[64] Dani Rodrik, "Promises, Promises: Credible Policy Reform Via Signalling," *The Economic Journal* 99 (September 1989): 756–772.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

As a result, AD felt increasingly threatened. It soon began to attack the reforms and reformers, disparaging most economic initiatives and belittling every economic accomplishment. Never in Venezuela's democratic history were executive-ruling party relations so distant and discordant. A vicious cycle developed: the party grew increasingly resentful, in turn, further persuading the executive of the need to supersede the party.

By 1991, AD was in a virtual state of war against the executive, even though this was the "best" economic year of the reforms in terms of macroeconomic indicators. This war culminated in AD's internal elections of September-October 1991 in which the orthodox sectors captured the top positions in the party. From this moment on, the balance in executive-ruling party relations shifted toward the party, now under the control of the most recalcitrant critics of the reforms.

Menem too began his administration by trying to supersede the ruling party, provoking comparable shocks. Party leaders began to question the Peronist credentials of the reforms and the reformers as well as their electoral wisdom. Executive-ruling party relations between September 1989 and January 1991 grew increasingly hostile, which explains why the government faced serious difficulties in obtaining pro-reform legislation prior to March 1991. But in January 1991, halfway into the reform process, the executive changed policies toward the ruling party. Specifically, Menem adopted a party-conforming approach, that is, he addressed the primary concerns and grievances of the ruling party. For instance, he removed the most party-vetoed member of the cabinet, Alvaro Alsogaray. He launched a new campaign to bring the party up to date; he orchestrated a massive party congress in order to convince party delegates that his was "the most Peronist administration." This campaign did not succeed in converting skeptical Peronists, but it brought an end to the party's debate about the Peronist-identity of the executive. Menem also began in 1991 to negotiate reforms directly with the party leaders, especially legislators, rather than with interest groups.[65] More important, Menem negotiated a tacit agreement with the PJ: the party would endorse the pillars of the reform in return for some participation in policy making (for example, high presence in the cabinet, more frequent congressional consultations) as well as electoral and organizational safeguards (no labor market flexibility, governmental backing of electoral drives, party control over social spending).[66]

Thus, the Argentine executive addressed some of the most serious political grievances of the PJ. In sum, the executive and the ruling party renegotiated the institutional terms of their relationship, leading to a marked improvement

[65] See Javier Corrales, "Why Argentines Followed Cavallo: A Technopol Between Democracy and Economic Reforms" in Jorge I. Domínguez, ed., *Technopols: Ideas and Leaders in Freeing Politics and Markets in Latin America in the 1990s* (University Park: Penn State Press, 1997).

[66] For a more detailed account, see Javier Corrales, "From Market-Correctors to Market-Creators: Executive-Ruling Party Relations in the Economic Reforms of Argentina and Venzuela, 1989–1993" (unpublished Ph.D. dissertation, Harvard University, May 1996).

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

in relations after April 1991. Conflicts between the executive and the ruling party did not end, but the propensity of the PJ to oppose the pillars of the new policies and the authority of the executive to pursue the reforms virtually subsided.

This difference in ruling party reactions had an enormous impact on the sustainability of the reforms. AD's unwillingness to cooperate affected the coherence of the state: the few party members in the cabinet became the sources of important policy contradictions, since they resisted or delayed key reforms. It was often easier for the opposition in Congress to get populist laws approved (the 1990 Caldera Law) than for the government to get its reforms approved. More important, having the ruling party criticize every aspect of the reforms nourished the widespread societal perception that the reforms were harmful, ill-conceived, and deceitful. Venezuelan citizens and interest groups began to reason that if the president's own allies were not supportive, why should they be? Having one of the most societally penetrating political parties in Latin America in open opposition to the government meant that every aggrieved sector of society could count on AD as an ally.[67]

The institutional reaccommodation between the executive and ruling party in Argentina in April 1991 had opposite effects. It made possible the approval of the most neoliberal policy of the Menem administration—the Convertibility Law (April 1991), which put an end to Argentina's decades-old price and exchange rate instability. This law established the free convertibility of the currency, banned the Central Bank from printing money, and eliminated indexation. Previous ministers of the economy (including Menem's first minister, Néstor Rapanelli) attempted to establish similar, albeit less absolute, exchange rate regimes. But the PJ always objected. Once the Argentine executive began to court the party, this reform became possible. Since the approval of the law, the ruling party has been the most adamant defender of this regime, despite the fact that the regime became the most controversial element of reforms until at least 1994.[68] Between 1991 and early 1996, the party defended even the harshest aspects of the reforms, such as the government's tough stand against pensioners and labor strikers.

The rapprochement of the executive and the ruling party in Argentina after 1991 contributed to closing of the information gap. Peronist leaders (unlike AD leaders) cooperated with the executive in disseminating among their constituents the importance of maintaining the reforms, or at least of not fueling the discontent of their constituents. In addition, the rapprochement contributed to closing of the credibility gap. For the first time, an Argentine executive was able to convey unambiguously that the populist sectors of the country now stood

[67] Michael Coopedge, *Strong Parties and Lame Ducks: Presidential Partyarchy and Factionalism in Venezuela* (Stanford: Stanford University Press, 1994).

[68] Even the IMF disliked this program. See Domingo F. Cavallo and Joaquín A. Cottani, "Argentina's Convertibility Plan and the IMF," *American Economic Association Papers and Proceedings* 87 (May 1997): 18–19.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

with the reform process. This credibility boost had different effects on different sectors of society. Those who were skeptical of the state's capacity to implement the reforms now had fewer reasons to expect the state to defect. On the other hand, those who objected to the reforms because they bore the cost of reforms directly (several labor groups, public-sector employees, industrialists, exporters, and opposition parties) reacted by adopting more antagonistic policies. They had greater certainty that the reforms would proceed and thus panicked. And yet, the Argentine state was able to resist this opposition, in part because it had an important ally in the ruling party, which in contrast to Venezuela, refused to side with these reform enemies.

In short, the rapprochement in executive-ruling party relations in Argentina in 1991 did what decades of economic crises failed to accomplish: solidify the state, shield it against societal attacks, and endow it with the political resources necessary to address the credibility and information gaps. In Venezuela, the rift in executive-ruling party relations splintered the cabinet, rendered the government vulnerable to societal attack, expanded the information and credibility gaps, and served as an incentive for other groups to sabotage the reforms. Venezuela is not alone. Even reform-minded executives in hyperinflation-stricken countries experienced comparably turbulent relations with the ruling party—the Sandinistas in Nicaragua from 1985–1990 and all Brazilian presidents from 1985–1994. Like Venezuela, these cases failed to implement economic reforms.[69]

Venezuela and Argentina in the Mid-1990s

Venezuela in 1994 and Argentina in 1995 were hit once again by severe economic crises. Inflation in Venezuela peaked at 61 percent, GDP per capita declined by almost 5 percent, and the public sector deficit reached 13.8 percent. In Argentina, inflation and public sector deficits remained under control, but the GDP per capita declined by 5.7 percent and unemployment reached 18 percent. This was a new bottom for Venezuela, and the first bottom in Argentina since 1991.

Once again, responses to these crises do not conform with the crisis hypotheses. In Venezuela, the new government of Rafael Caldera responded by instituting some of the most antimarket measures in Latin America in the 1990s (exchange rate and price controls, interruption of privatizations, and suspension of economic liberties). Upon discovering that the economic situation continued to deteriorate (annual inflation peaked at 103 percent in 1996, real wages declined by 40 percent between 1993 and 1996), the government launched a new ESSA reform package in April 1996 (*Agenda Venezuela*). To this day, the

[69] Richard Stahler-Sholk, "The Dog that Didn't Bark: Labor Autonomy and Economic Adjustment in Nicaragua under the Sandinista and UNO Governments," *Comparative Politics* 28 (October 1995): 86; Luiz Carlos Bresser Pereira, "Brazil" in John Williamson, ed., *The Political Economy of Policy Reform* (Washington, DC: Institute for International Economics, 1994).

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

structural reform component of this package remains unimplemented, and the country remains plagued by societal instability. In mid-1997, workers staged the first general strike since 1989 together with multiple sectorial strikes. In Argentina, the government reacted to the 1995 crisis by announcing a new round of harsh reforms. However, in 1996, the country began to experience the highest level of labor and province-level unrest since 1990.

The sluggish and bumpy pace of reforms in Venezuela and Argentina since 1995, including the rise of social instability, cannot easily be explained by the crisis hypothesis. It can be explained, however, in reference to the executive-ruling party variable advanced in this article. In both cases, the effort to deepen the reforms provoked executive-ruling party tensions.

The lack of a strong executive-ruling party relationship has been Venezuela's main curse since 1991. It brought down the Pérez administration and has handicapped severely the Caldera administration. Caldera came to office with an ad hoc, last-minute coalition of a new party (Convergencia) and an old but small party (MAS). Even when this coalition was unified (1994–1996), it was not strong enough in terms of votes and links with society to provide the state with capacity to govern. When the government announced a new round of reforms in 1996, the ruling coalition began to experience tensions. MAS spent most of 1997 internally split. This fragility at the top explains Venezuela's inability to deepen ESSA reforms since 1996.

Conclusion

In the 1980s, scholars easily accepted the idea that countries with moderate levels of inflation had a greater chance of reform. At least, that was what the empirical evidence then suggested: mild-crisis countries such as Costa Rica, Colombia, Jamaica, Spain, France, England, and to some extent Mexico achieved impressive reforms, whereas the real basket cases such as Argentina, Brazil, Nicaragua, and Peru continued to deserve that label.

Today scholars recognize how premature this conclusion was. However, many scholars come close to making a similar mistake in the opposite direction, when they argue that those countries that experience the harshest economic crises have a greater chance of successful reform implementation. This article discussed some theoretical and empirical problems associated with this argument and its weakness as an explanation for why Argentina succeeded politically in implementing ESSA reforms while Venezuela did not. By almost every objective standard, Venezuela hit a historical bottom in 1989 (after hitting several other bottoms before). But because there is a too-elastic definition of bottom in the literature, many analysts conclude that Venezuela's 1989 crisis was not tantamount to hitting bottom.

Scholars and practitioners ought to be less complacent about the presumed positive side-effects of deep economic crises. Periods of high inflation and economic hardship can actually accentuate rather than moderate the factors that

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

induce economic actors to eschew cooperation and self-sacrifice. Economic crises reaffirm expectations of calamity: each actor deduces that inflation will continue, that other actors will eschew sacrifices and breach agreements, and that the government will continue to fail to control the situation. There is a low discount of the future and a perverse mistrust of others. The more likely consequence is far from a patriotic or altruistic rally-around-the-flag, but rather societal balkanization. Economic crises complicate governability.

In a severe economic crisis, therefore, the response of actors is impossible to predict. On the one hand, actors might respond by cooperating among themselves. But an equally plausible and more likely response is defensive defection: actors seek to exit the danger zone before getting trapped—that is, receiving the sucker's payoff. Economic crises and high inflation, like panic-induced runs on banks, generate self-serving, defensive behaviors that tend to spiral out of control.

Hyperinflations do not make things easier, either. In the words of Jeffrey Sachs: "You cannot think straight in the midst of hyperinflation."[70] Hyperinflation does not necessarily expedite the attrition of reform opponents; it is just as likely to expedite the attrition of the reforming state (for example, Weimar Republic, the Alfonsín administration in 1989, the Menem administration by 1991, the Brazilian administrations between the mid-1980s to 1993, the Sandinista administration in 1990, the Gorbachev administration in 1991, many Central Asian republics in the 1990s). Actors do not necessarily learn the right lessons from hyperinflation; they might corroborate instead their mistrust of others—the government is incompetent at handling crises, self-sacrifice is unjustified since none of this is my fault, and cooperation is risky since my counterparts are very likely to cheat. Hyperinflation can create a sense of urgency, which could very well mean speedy defections rather than collective collaboration to save the country. Crises prompt actors to run to the banks to make withdrawals, not to make deposits.

Hyperinflation does create a widespread clamor that something be done. But there is a difference between the overall preferences of the public as revealed by public opinion polls and the actual behavior of individual actors or groups during crises. Since the late 1970s, Argentine public opinion polls suggested that people desired economic stability more than anything else, even if that entailed harsh austerity measures. Alfonsín's 1985 stabilization plan was so widely acclaimed that his government won the mid-term elections that same year. But the behavior of economic actors, even while these same polls were taken, belied these preferences; it was opportunistic, self-serving, and noncooperative, hence the collapse of the plan shortly after the elections.

This contradiction between the public opinion clamor that something be done and the actual behavior of groups is a recurrent phenomenon in situations

[70] Jeffrey Sachs, "Life in the Economic Emergency Room" in Williamson, ed., *The Political Economy of Policy Reform,* 507.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

of economics disarray. But the contradiction might be more apparent than real. It is true that everyone desires a solution, even granting the authorities carte blanche to handle the crisis. To paraphrase William Nylen, this clamor tends to take the form of "neoliberalism for every one except for me."[71] Actors want adjustment and stability, as long as others assume the cost. After all, in a crisis situation, each actor knows that the real culprit of the crisis is someone else. Moreover, public opinion support is an asset that, as Adam Przeworski reminds us[72] and the Argentine case (1986–1991) illustrates, can evaporate quickly.

Even the most ardent defender of the hyperinflation hypothesis should recognize the problem with timing that emerges when this hypothesis is applied to the Argentine case. Social acquiescence to ESSA policies should have been evident right after the megainflation of 1989. However, state-society cooperation was ephemeral (only three months). Hyperinflation may explain Menem's ideological conversion, but it fails to explain twenty-plus crucial months of the history of Argentina.

Therefore, hyperinflations are not necessarily the bottom either. After hyperinflations, many scenarios are possible, most of them quite dim. Brazil, for instance, had to undergo almost one decade (1985–1994) of cycles of hyperinflation-high inflation-hyperinflation, together with numerous government and cabinet changes, before reaching some economic stability. Peru (1985–1992) had to undergo similar cycles until an authoritarian solution was delivered in 1992 (like Chile in 1973 and Russia in 1993). Russia and Nicaragua escaped these cycles in the 1990s but only after giving up significant portions of the reform agenda. Any of these scenarios was possible for Argentina after the 1989 hyperinflation. In fact, the Brazilian scenario actually materialized, and the Peruvian scenario never loomed too far from the minds of most policy makers. These cases of hyperinflation with little reform, together with the many other cases of deep reforms without hyperinflation or even economic downturns, suggest that hyperinflations are neither sufficient nor necessary conditions for the success of reforms.

Furthermore, it is not clear that posthyperinflation societies are automatically submissive. Some of the most serious attempts by Argentine interest groups and opposition political parties to sabotage the reforms occurred between 1991 and 1993. The only truly cooperative actor was the ruling party, which since 1991 defended even the most hurtful pillars of the new economic regime.

This article has suggested that the cooperation between the executive and the ruling party in Argentina was the crucial variable that allowed the country to escape its cycle of instability and sustain the reforms (despite the opposition of many groups after 1991). In contrast, lack of such cooperation in Venezuela

[71] William Nylen, "Liberalismo para todo mundo, menos eu: Brazil and the Neoliberal Solution" in Ezra N. Suleiman and John Waterbury, eds., *The Political Economy of Public Sector Reform and Privatization* (Boulder, CO: Westview Press, 1990).

[72] Przeworski, *Democracy and the Market.*

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

led to the collapse of the reforms in 1992. Terminating the fights with the ruling party allowed the Argentine executive to obtain the necessary grounding to address the information and credibility gaps. It was also the main political resource that allowed the Argentine state to ward off societal attacks and to resist renewed call for redistributive policies by interest groups.

Argentina also began to witness the most serious conflicts in executive-ruling party relations in late 1996. This is the result of the electoral rise of a new strongman inside the party, Eduardo Duhalde. Most importantly, the party was frustrated by Menem's decision in 1996 to alter components of the tacit working agreement established in 1991. For instance, the government has tried to stabilize and privatize by decree (in violation of the agreement with the ruling party to seek greater congressional involvement in economic policy), to further liberalize labor markets (in violation of the agreement with the ruling party not to touch this area), and to talk about reelection for a second time (in violation of the agreement with the ruling party not to seek reelection beyond 1999). Executive-ruling party cooperation has not disintegrated, but it is more turbulent than was the case between 1991 and 1996. Not surprising, the government has become less effective in commanding public cooperation.

In sum, to say that economic crises, even hyperinflations, cause reforms is as true as saying that a war situation causes peace accords. Clearly, hyperinflations and economic crises, like wars, must come to an end, even if they take 100 years. But to know that a war broke out tells little about its duration, the style of combat, the role of the participants, the ultimate victor, the terms of the victory, and more important, the causes of the victory. Hyperinflation might be the mother of all crises, but it is seldom the trampoline to heaven.*

* I am especially grateful to Jorge I. Domínguez, Robert D. Putnam, Deborah Yashar, Kurt Weyland, Jeanne K. Giraldo, Moisés Naim, and Juan Carlos Torre for their comments and suggestions. I also wish to thank the Ford Foundation, the Department of Government at Harvard University, the Instituto de Estudios Superiores de Administración (Caracas), the Instituto Torcuato di Tella (Buenos Aires), and Amherst College for sponsoring the research for this article.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

APPENDIX ON ARGENTINE HYPERINFLATION[73]

July-December 1989

- Business breaks agreements with government by tripling prices (July). UIA begins to criticize Central Bank president.
- Divisions within the PJ intensify as factions challenge at least one of these: cabinet selection, economic policy, foreign policy, alliance with Bunge & Born and Alsogaray, military pardon. Even Menem-loyalists split (Celestes vs. Rojo Punzó) (September).
- Peronist labor union CGT splits into three: loyalists (CGT-San Martín), noncommittal (62 Organizations) and anti-reforms (CGT-Azopardo) (October).
- Frenzied speculation and a run on the dollar occurs for no real economic reason. By triggering this, business sectors succeed in forcing the resignation of Central Bank president (November).
- PJ is defeated in local elections of Sante Fe and Rosario (November).
- Congress inaugurates noncooperative stand, as legislators (mostly from the PJ) refuse to approve a tax reform bill (VAT).
- First cabinet crisis and termination of state-Bunge & Born alliance: unable to persuade business sectors, especially his former employer, to accept a tax reform, Minister of the Economy Néstor Rapanelli resigns (December).
- SOE Managers go on a spending spree during the cabinet crisis: in one day, SOEs purchased US$20 million, exacerbating the financial crisis and further hurting the exchange and interest rates (December).
- New Year's eve run on the dollar. Exchange rate jumps from A1,000/US$1 prior to Christmas to 3,800 by New Year's eve weekend.

1990

- Second hyperinflation (December 1989 to February 1990). As a corrective, the government converts its short-term obligations into bonds payable in ten years (Plan Bónex, January 1990).
- Congress refuses to approve Plan Bónex. Government is forced to act by decree (January).
- First major Peronist defection. Leading PJ legislators (Group of 8) resign from the party protesting Menem's neoliberalism (January).
- Intrabusiness and state-business conflicts explode over the Plan Bónex. Financiers detest the Plan Bónex; industrialists detest the government- induced recession. UIA president, Gilberto Montagna, threatens the government with the possibility of massive layoffs and criticizes the government's pursuit of a Social Pact (January-February).
- Another major run on the dollar (February).
- Congress begins to drag its feet regarding privatizations. Minister of Public Works Roberto Dromi, in charge of privatizations, faces continuous threats of congressional censorship.

[73] Sources include Argentine dailies, unless otherwise indicated.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

- Opposition refuses to collaborate with the government. UCR leader, Eduardo Angeloz, declines Menem's invitation to join the cabinet (February).
- Cabinet infighting intensifies: Foreign Relations (Cavallo) vs. Public Works (Dromi) regarding trade relations; Public Works v. Economy (Erman González) and Economy v. Defense (Romero) regarding privatizations (June).
- PJ legislators (and thus Congress) refuse to approve code regulating strikes, breaking their previous promise to the government of a fast approval.
- SOEs increase spending spree: For the first half of 1990, the operating deficit of SOEs was already 35 percent larger than the 1989 deficit.[74]
- Dissent in PJ intensifies and Menemist candidates are defeated in the Mendoza, Formosa, and Entre Rios primaries (second half of 1990).
- Business groups oppose new austerity package, which included increases in SOE tariffs and VAT rates (September).
- Heightened labor opposition to the privatization of ENTel prompts Menem to threaten to mobilize the military.
- Coup attempt (Carapintada uprising) (December).
- Industrialists sharpen criticisms of the government for failing to reform the state and correct the 180 percent overvaluation of the dollar (December).

1991

- Crisis in U.S.–Argentine relations as the U.S. ambassador accuses cabinet members of corruption (Swiftgate). The issue of the source of the leak divides the cabinet (January).
- Second major cabinet crisis prompted by Swiftgate. Business sectors denounce government's latest economic plan (Erman VII). Menem disactivates his economic team: Dromi (Public Works) and González Fraga (Central Bank) leave government; Erman González (Economy) moves to Defense. Various Peronists leave, too (January 1991).
- Ucedé-executive alliance is terminated: Álvaro Alsogaray resigns from the government (January).
- PJ legislators lambaste newly appointed Minister of the Economy Domingo Cavallo in his first appearance in Congress to explain the need for a new austerity package (February).
- Another run on the dollar greets the new minister of the Economy; the dollar increases 11 percent in one day (February).
- Threat of a third hyperinflation: the monthly inflation rate reaches 27 percent (February).
- Another run on the dollar occurs, believed to have been caused by a group of financiers seeking Cavallo's resignation. To stop the run, Central Bank spends US$250 million.
- PJ defections continue: three PJ legislators (Mario Ferreyra, Marta Nardo, Raúl Rodríguez) leave (March).
- Important rural unions go on a three-day strike (March).

[74] Myrna Alexander and Carlos Corti, *Argentina's Privatization Program* (Washington, DC: The World Bank, CFS Discussion Paper Series No. 103, 1993).

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Bargaining for Social Rights: Unions and the Reemergence of Welfare Capitalism, 1945–1952

MICHAEL K. BROWN

The United States has long been distinctive among Western welfare states for its heavy reliance on private social policies. Private pensions, health, and disability insurance are not absent from other welfare states, but America has made a virtue of what many countries consider an unwanted stepchild. Even when compared to the less capacious welfare states of Britain or Australia, much less the comprehensive continental European or Scandinavian welfare states, American reliance on private social protection is anomalous. Payments to individuals for private or employer-provided social benefits accounted for 25 percent of total social welfare payments in 1985. The United States spends a higher fraction of GNP for private pensions (1.4 percent) than any other industrial society, and 57 percent of all U.S. health expenditures are private compared to an average of 20 percent in other welfare states.[1]

Most individuals receive private social benefits as an employee benefit, financed by employer supplements to wages and salaries. Entitlement to these benefits is based on employment rather than citizenship. This private safety net has mostly benefited unionized workers and middle class citizens with steady, white collar jobs. Workers not in unions or in low-wage industries have been excluded from this system of private social protection. Reliance on private health insurance has also served as one of the main impediments to the adoption of national health insurance. Yet today this system of private social protec-

[1] Gosta-Esping-Andersen, *The Three Worlds of Welfare Capitalism* (Princeton: Princeton University Press, 1990), 71, 83.

MICHAEL K. BROWN is professor of politics at the University of California, Santa Cruz. He is the author of *Divergent Fates: Race and Class in the Making of the American Welfare State, 1935–1985*, which will be published in 1998.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

tion is rapidly eroding as corporations lay off workers or substitute part-time, temporary help for full-time workers in order to reduce labor costs and avoid paying for private social benefits. The number of involuntary part-time workers rose rapidly in the twenty years between 1970 and 1990. A General Accounting Office study found that among retail stores 47 percent of full-time workers received health insurance compared to 10 percent of part-time workers. And between 1979 and 1992 participation in company pension plans declined from 49 to 42 percent of workers.[2] Those full-time workers still entitled to employee benefits find they must pay a greater share of the cost.[3] Unlike public social insurance, private social benefits are not easily protected from assault by corporate managers. While European workers take to the streets to protest cuts in public health and pension benefits and voters resist cuts in Medicare or Social Security, American workers are losing their access to employer-provided health and pension benefits by stealth.

How did private social benefits become such a core element in the American welfare state? Why did the United States choose to rely on corporations rather than the public sector to provide so much of the safety net for workers? The key decisions were made in the late 1940s at a time when liberal Democrats sought to go beyond the New Deal and establish a comprehensive system of public social insurance. These years were the one point in the modern development of the American welfare state when the choice between public and private forms of social protection was explicitly posed, although it never became a matter of overt political conflict. The explosive growth of private pensions and private health and disability insurance after 1945 was tantamount to a revival of the private welfare capitalism that had flourished in the 1920s but had expired with the Depression. Pre-New Deal corporate managers melded paternalism with efficiency and offered workers housing schemes, pensions and profit sharing arrangements, health and recreation programs. Some managers even thought to provide unemployment benefits. Stripped of its paternalistic veneer, the welfare capitalism of the 1920s was fundamentally anti-union, and it largely succeeded, although workers were never entirely docile or loyal.[4] Yet when private welfare capitalism reemerged after World War II, it was not the product of a conservative plot to halt the Democratic party agenda for an expanded welfare state. In fact, the new welfare capitalism came with a union label.

[2] "Part-Time Work New Labor Trend," *New York Times*, 9 July 1986; "Part-Time Hirings Bring Deep Change in U.S. Workplaces," *New York Times,* 17 June 1991; "Pensions Covering Lower Percentage of U.S. Work Force," *New York Times,* 13 April 1992.

[3] "Companies Shifting Larger Share of Health Expenses to Employees," *New York Times,* 22 November 1988.

[4] Gerald Zahavi, "Negotiated Loyalty: Welfare Capitalism and the Shoeworkers of Endicott Johnson, 1920-1940," *Journal of American History* 71 (December 1983): 602–620; Stuart Brandes, *American Welfare Capitalism, 1880-1940* (Chicago: University of Chicago Press, 1976); David Brody, "The Rise and Decline of Welfare Capitalism" in Brody, *Workers in Industrial America* (New York: Oxford University Press, 1980), 48-81.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

American labor unions emerged from the war overtly dedicated to creating a universal, cradle-to-grave public welfare state much like labor unions in Europe. Despite their rivalry, both the American Federation of Labor (AFL) and the Congress of Industrial Organizations (CIO) supported the Wagner-Murray-Dingell bill—a blueprint for a comprehensive public welfare state introduced in Congress in 1942—federal housing legislation, federal control of unemployment compensation, and the 1945 full employment act.[5] Yet the American labor movement was instrumental in the expansion of private social welfare by making fringe benefits, principally paid vacations, health insurance, and pensions, objects of collective bargaining. Unions in other countries eventually incorporated private pensions, but not other social benefits, into collective bargaining. But nowhere was collective bargaining over private benefits taken up as early and with such aggressiveness as in the United States. Other national labor movements were implacably opposed to bargaining over pensions. The British Trades Unions Council, for example, steadfastly opposed such bargaining, and when they finally did accept it, it was only due to pressure from the government.[6]

The unions were actively aided in their campaign by northern Democrats, Harry Truman included. Senator James Murray (D-MT), one of the few authentic social democrats to emerge from American soil, told his fellow Democrats during the congressional debate on a provision of the Taft-Hartley Act, which would have outlawed union contributions to health and welfare funds, that it was, "in the interest of sound governmental policy to encourage rather than confine or prohibit voluntary private plans aiding citizens by medical care, hospitalization, or other methods. . . . These plans decrease the responsibility and burdens of the State. Legal restrictions, or prohibitions would, on the other hand, tend to increase the public burden and responsibility and the dependence of the wage earner upon the State."[7]

So why did the labor movement choose to compromise its postwar agenda by pursuing private social protection at the bargaining table? Why did northern Democrats compromise their dream of a broad, inclusive welfare state by aiding the labor movement? For some historians the emergence of a unionized welfare capitalism after World War II marks a reversion to the voluntarism and business unionism of the pre-New Deal era, when many union leaders championed trade union autonomy and opposed public social insurance. A more compelling and relevant interpretation is that conservative opposition to a public welfare state led unions to make collective bargaining over social benefits an issue. At the time, many people believed that this opposition was an "invitation to unions to get what they can by any means open to them . . . [to] 'get [their]

[5] Julie Meyer, "Trade Union Plans for Postwar Reconstruction in the United States," *Social Research* 11 (November 1944): 491–505.

[6] Jill Bernstein, "Employee Benefits in the Welfare State: Great Britain and the United States Since World War II" (Ph.D. dissertation, Columbia University, 1980), 344–346, 353–360, 389–391.

[7] *Congressional Record,* United States Senate, 25 April 1947, 1050.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

pensions from private industry.'"[8] Some labor leaders, Walter Reuther for example, even went so far as to justify union actions as a shrewd political strategy calculated to induce business support for public social welfare policies by ratcheting up the cost of fringe benefits.[9]

Welfare capitalism in the 1940s was never simply a question of whether to have public or private social policies for either the labor movement or its allies in the Democratic party. It would be foolish to discount entirely the effects of conservative opposition toward the expansion of federal social policy. But this was always less relevant to unions than the question of their status and power with respect to that of managers. The irony of private welfare capitalism's postwar reconstruction is that it tacitly aligned the labor movement with purveyors of the new managerial ideology for private provision of social protection and the American Medical Association (AMA), while inspiring managerial opposition.

The postwar businessmen advocating privatization of social welfare were inclined to see private social benefits as a bulwark against state socialism. They accepted the language of economic rights popularized by Franklin D. Roosevelt during the war but sought to establish these rights privately. "Businessmen and industrialists *must* concern themselves with economic rights," Russell W. Davenport, a prominent figure in the creation and articulation of the postwar doctrine of social responsibility for corporate managers, wrote; they must take action so as to "transfer the private responsibility, and therefore the initiative, from government to private hands." Davenport extolled efficiency rather than paternalism in tones redolent of the rationale for welfare capitalism in the 1920s, arguing that private social insurance was not just a prophylactic for a public welfare state but would allow executives "to produce a better product at lower cost."[10]

For most corporate managers, Davenport's appeal went unheard; the older, anti-union rationale for corporate social benefits remained a vital feature of managerial ideology and strategic practice. Corporate managers proved noticeably reluctant to embrace a course of action manifestly in their interest and remained less than enthusiastic, even deeply opposed, to negotiating over pensions and social insurance in 1949. One corporate lobbyist told Congress, "it could not have been the valid intent of the Wagner Act to compel employers

[8] "Pensions Reconsidered," *The Nation*, 19 November 1949, 484.

[9] These alternatives reflect the views of Nelson Lichtenstein, "From Corporatism to Collective Bargaining: Organized Labor and the Eclipse of Social Democracy in the Postwar Era" in Steve Fraser and Gary Gerstle, eds., *The Rise and Fall of the New Deal Order, 1930-1980* (Princeton: Princeton University Press, 1989), 122–152; and Jill Quadagno, *The Transformation of Old Age Pensions* (Chicago: University of Chicago Press, 1988), 159–171. See also Beth Stevens, "Blurring the Boundaries: How the Federal Government Has Influenced Welfare Benefits in the Private Sector" in Margaret Weir, Ann Shola Orloff, and Theda Skocpol, eds., *The Politics of Social Policy in the United States* (Princeton: Princeton University Press, 1988), 123–148.

[10] Russell W. Davenport, "The Greatest Opportunity on Earth," *Fortune*, October 1949, 68. (Emphasis in orginal.)

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

to bargain away their advantage and responsibility in relation to pension and retirement plans, related to their employee personnel, constituting the major remaining factor in establishing friendly relations and assuring permanence and loyalty."[11] Businessmen may have disliked much of Truman's Fair Deal, but Davenport's alternative seemed just as pernicious. They lobbied furiously during congressional hearings on the operation of the Taft-Hartley act to outlaw collective bargaining over health and welfare funds, arguing strenuously against union involvement. Many businessmen saw collectively bargained social protection not as the last bastion between a free society and state socialism but as "privately imposed sales taxes for the benefit of a particular group."[12]

The AMA was one of the few conservative groups to understand clearly the political implications of labor's fight to bargain over health insurance and to applaud publicly. Even though the Wagner-Murray-Dingell bill provoked the AMA's opposition, the AMA would hardly have been as successful in deflecting the movement for national health insurance if union demands at the bargaining table had not taken some of the steam out of it. Nelson Cruikshank, the AFL's chief lobbyist on social welfare matters, concluded that "the development of health and welfare measures, health insurance through collective bargaining . . . took the heat out of the pressures for national health insurance. . . ."[13] The threat to the welfare state posed by the union alternative only became subject to public questioning after corporations lost their war to prevent collective bargaining of fringe benefits. The denouement came when the Steel Board, appointed by President Truman to mediate the 1949 steel strike, issued its report and publicly blessed the union effort. Eveline Burns, one of the architects of Roosevelt's plans to go beyond the social policies of the 1930s, commented that union programs will "inevitably weaken the interest of those workers covered by welfare plans negotiated by unions in pressing for extensions and liberalizations of our public programs." Clark Kerr, an industrial relations expert, went further and took an explicit stand against labor by calling for national action to raise social security benefits and proposing to rescind the National Labor Relations Board's *Inland Steel* decision, which legalized collective bargaining over fringe benefits.[14]

Private social protection triumphed only because New Deal liberals from Truman on down were driven to support the unions at crucial moments in their push for collectively bargained social rights. Unionized welfare capitalism emerged from a bitter postwar struggle between opposing classes and as such

[11] United States Congress, Hearings, Joint Committee on Labor-Management Relations, 80th Cong., 2nd sess., *Operation of the Labor-Management Relations Acts, 1947,* pts. 1 & 2 (Washington, DC: U.S. Government Printing Office, 1948), 565.

[12] Ibid., 507.

[13] Columbia University Oral History Collection, Part III, Social Security, 9.

[14] "Unions' Aid Plans Called Harmful," *New York Times,* 2 December 1949; Clark Kerr, "Social and Economic Implications of Private Pension Plans," *The Commercial and Financial Chronicle,* 1 December 1949, 26.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

was a matter of labor policy. Accounts of unionized welfare capitalism that stress only the failure to pass social legislation miss the defining reality of the times: bargaining over fringes was an issue that touched on the security of union membership, a question that was reopened when the closed shop was outlawed by the Taft-Hartley Act. For labor leaders, fringes were a device to insure the loyalty of workers; for businessmen, it was way to undermine unions.

The union role in the reemergence of welfare capitalism has an obvious bearing on the relationship of American unions to the welfare state after the 1940s. Grant McConnell has seen an atavistic impulse toward voluntarism in these events, but it is not at all clear whether one can or should apply the term to the postwar labor movement. More commonly, the seeds of labor's demobilization and its transformation from a broad social movement in the 1930s to an interest group are seen to be the consequence of unionized welfare capitalism. Whether unions reverted to voluntarism and took themselves out of the struggle for a comprehensive welfare state or continued to act in the interests of all working people, union and nonunion alike, as J. David Greenstone believed, is better addressed after we analyze the paradox of union-liberal Democrat support for private welfare capitalism.[15]

Collective Bargaining and Social Rights

The seeds of the revolution in collective bargaining were sown by wartime labor and tax policies but led by the three most powerful industrial unions of the era—the United Mine Workers (UMW), United Steel Workers (USW), and the United Auto Workers (UAW). These three unions represented over two million workers in 1945 and were led by three of the most influential and tenacious labor leaders of the time—John L. Lewis of the UMW, Philip Murray (president of both the USW and the CIO), and Walter Reuther of the UAW. By the end of the war, about 600,000 workers were covered by health and welfare funds through collective bargaining. The unions at the forefront of this effort were drawn from both the AFL and CIO but were somewhat atypical and certainly not in a position to influence the direction of the postwar labor movement. Lewis, Reuther, and Murray were influential, and it is doubtful that unionized welfare capitalism would have had the impact it did without their pivotal efforts.

Initially, the emergence of a private alternative to public social welfare was an inadvertent consequence of wartime tax and labor policies. Changes in the internal revenue code and the practices of the National War Labor Board to permit fringe benefits in lieu of wage increases during the war furnished labor leaders and business executives with ample incentives to demand and give fringes. If the labor movement did not inaugurate the shift toward private social

[15] Grant McConnell, *Private Power and American Democracy* (New York: Alfred A. Knopf, 1966); J. David Greenstone, *Labor in American Politics* (New York: Vintage Books, 1970).

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

protection, it was clearly responsible for its rapid growth and its legitimacy. Unions not only extracted pensions and health plans from corporate managers, they reworked the idea of social rights to include collectively bargained benefits. What labor demanded, Donna Allen points out in her suggestive study of vacation benefits, was "an employee benefit, social in nature, which the employer owed them by reason of his use of their services."[16]

Inadvertent Privatization: The Effects of Wartime Policies

Changes in tax policies during the war altered the incentives for employers and employees to adopt private pension and health insurance. Private pensions were revived from a depression-era collapse when Congress, at the initiative of Roosevelt and Secretary of the Treasury Henry Morganthau, Jr., changed the tax treatment of employer contributions to pension funds and profit sharing plans. These changes allowed corporations to take a tax deduction only if the benefits were available to all employees and occurred just as Congress raised tax rates for corporations and individuals. Overnight, pension funds were transformed into tax shelters, which in the midst of rising incomes during the war proved to be a lure for corporate managers and ended the depression-era stagnation of pension funds.[17] Similarly, a special ruling of the IRS in 1943 allowed businesses to deduct payments to health and welfare funds as ordinary business expenses and exempted such payments from employee income. This ruling had a far greater effect on the incentives for businesses to adopt prepaid health plans than for individuals to demand them. In the context of the wartime excess profits tax, 85 percent of the costs of health insurance was sheltered income or profits that would have been taxed.[18]

Unions were encouraged by the National War Labor Board (NWLB) to substitute fringes for wages in bargaining agreements in an effort to quell rising discontent with the Board's increasingly rigid policy toward wartime wage increases. The NWLB's policy evolved from its Little Steel Formula of 1942, which pegged wage increases to the cost of living. As wartime inflation worsened, Roosevelt all but eliminated the Board's ability to grant voluntary wage increases, provoking strikes by the UMW and the railway workers as well

[16] Donna Allen, *Fringe Benefits: Wages or Social Obligation* (Ithaca, NY: Cornell University Press, 1964), 93.

[17] Norman B. Ture, *The Future of Private Pension Plans* (Washington, DC: American Enterprise Institute, 1976), 33–34; William C. Greenough and Francis P. King, *Pension Plans and Public Policy* (New York: Columbia University Press, 1976), 60, 63. Herbert Northrup estimated that the number of pension plans rose from 600 to over 9,000 between 1939 and 1949; see Anne P. Cook, ed., *Pension and Health and Welfare Plans in Collective Bargaining* (Los Angeles: UCLA Institute of Industrial Relations, 1950), 11.

[18] Harry Becker, ed., *Prepayment and the Community,* vol. 2, *Financing Hospital Care in the United States* (New York: McGraw-Hill, Inc., 1955), 19–20; Commerce Clearing House, *Standard Federal Tax Service,* vol. 3 (1943), 8318. I am indebted to Charles R. Brown for assistance in tracking down the IRS ruling.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

as uncounted wildcat strikes. Faced with labor's unwillingness to accept administration policy, the War Labor Board had no choice but to acquiesce and decided to conceal wage increases by masking them as fringe benefits or other forms of compensation. "These adjustments," as the War Labor Board put it, were looked upon by regional labor boards as "a 'safety valve' and a 'useful cushion' which helped to offset 'the rigidity of our controls over basic wage rates' that might have created pressures that would 'blow the lid off of stabilization.'"[19]

Tax and wage policies were not the only factors stimulating the spread of private health plans; national health insurance became an issue for business lobbyists after the Wagner-Murray-Dingell bill was introduced. Both the Chamber of Commerce and the National Association of Manufacturers endorsed the NWLB policies on health plans to stimulate interest in voluntary health insurance as an alternative to national health insurance. Many businessmen were clearly operating on this assumption, preferring to try private health insurance before a public program was enacted. One insurance executive said that "some employers apparently hope to head off the Wagner-Murray-Dingell bill by establishing private health insurance plans now."[20] Businessmen, though, were more ambivalent than this view suggests, since the acceptance of voluntary health insurance meant giving up unilateral control over health and pension plans as they became objects of collective bargaining. Some employers, reported two observers, were willing to accept private insurance only if they could control it and "if they are forced to submit the company plan to union approval, some [employers] would be indifferent or would prefer to have compulsory health insurance."[21] It was not uncommon at the time for employers to write bail-out provisions into employer health plans that would discontinue the plan if national health insurance were to become a reality.

Under wartime economic restraints, the Roosevelt administration's tax and wage policies were accepted in practice, if not always without dissent or complaint, and ignited the expansion of private social welfare. But federal tax policy served mainly to make pensions and private social insurance an issue rather than to stimulate expansion.[22] The insertion of private benefits into collective bargaining sustained the forward momentum throughout the 1950s and locked the private welfare state into place.

[19] *The Termination of the National War Labor Board,* vol. I (Washington, DC: U.S. Government Printing Office, 1945), 596.

[20] Helen Baker and Dorothy Dahl, *Group Health Insurance and Sickness Benefit Plans in Collective Bargaining* (Princeton: Princeton University, Industrial Relations Section, 1945), 84.

[21] Ibid., 83.

[22] Estimates of the tax effects on the growth of private social benefits indicate they are marginal, accounting for less than 5 percent of the growth between 1954 and 1979. See Robert Turner, "Are Taxes Responsible for the Growth in Fringe Benefits?" *National Tax Journal* 40 (June 1987): 205–216.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

The Union Label in America's Private Welfare State

Labor leaders initially chose to make collective bargaining of private social policies an issue in the fall of 1946. Walter Reuther spoke for many in the labor movement when he told the CIO convention that year: "There is no evidence to encourage the belief that we may look to Congress for relief. In the immediate future, security will be won for our people only to the extent that the union succeeds in obtaining such security through collective bargaining."[23] CIO delegates passed a resolution that legitimized "security through collective bargaining," and William Green, president of the AFL, praised John L. Lewis's successful strike to gain a health and welfare fund for mine workers, telling the AFL convention in October 1946 that all AFL affiliates would be encouraged to negotiate health and welfare funds. David McDonald of the Steelworkers sounded the charge at the CIO convention: "We of the Steelworkers Union, and I know of some of the other unions, intend to press these demands very vigorously in the coming collective bargaining conferences. . . . We contemplate that any plan which is negotiated shall be paid for exclusively by the employers."[24]

Private pensions and social insurance were contested terrain for the next three years with the major battles fought in 1949. Philip Murray, president of the CIO, announced after the 1948 election that labor would stress social insurance, not wages, in the 1949 bargaining sessions; and Reuther wrote UAW locals in early 1949 saying the union was going to take "pension and social security plans out of the category of fringe demands and put them at the top of the agenda." Murray and Reuther, who were reported to be studying actuarial tables in order to frame their demands for health and welfare funds and pensions, were not alone: "Scores of AFL and independent unions will be in the field to add their members to the total of 3.5 million unionized workers now covered by welfare programs."[25] The unions won important contracts containing health plans and other fringes that year. The flood gates were opened, and by 1954 three-quarters of union members, over eleven million workers, were covered by a health plan or pension through collective bargaining, up from one-eighth of union members in 1948. (See Table 1.)

Even though William Green broke with Murray and Reuther in 1949 and publicly opposed bargaining for pensions, both AFL and CIO unions avidly pursued concessions on health and pension policies. Initially, two-thirds of

[23] Quoted in Frank G. Dickinson, "The Trend Toward Labor Health and Welfare Programs," *Journal of the American Medical Association*, 26 April 1947, 1286.

[24] "Fight Communism Green Tells Labor," *New York Times,* 8 October 1946, "Welfare Drive by AFL Aims at All Industry," 13 October 1946; Congress of Industrial Organizations. *Report of the Proceedings of the 8th Constitutional Convention, 1946*, 185–186, quoted in Berstein, "Employee Benefits in the Welfare State, 408–410.

[25] "Welfare Drive Due by Unions in June," *New York Times,* 2 April 1949; *Business Week,* 22 January 1949, 19–20.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

TABLE 1

Private Social Benefits by Union Federation, 1948-1954
(In Percent)

	Union Members	*Members of AFL*	*Members of CIO*	*Independents*
1948:				
Total Covered	11.7	68.5	31.5	NA
1950:				
Total Covered	56.5	35.1	47.5	17.5
Health & Welfare Funds & Pensions	33.9	33.0	77.9	66.1
Health & Welfare	18.7	50.8	20.6	31.1
Pensions Only	3.9	16.2	1.4	2.8
1954:				
Total Covered	75.1	45.2	43.6	12.2
Health & Welfare Funds & Pensions	46.0	41.3	75.8	84.0
Health & Welfare	27.8	55.3	23.6	16.0
Pensions Only	1.3	3.4	0.6	NA

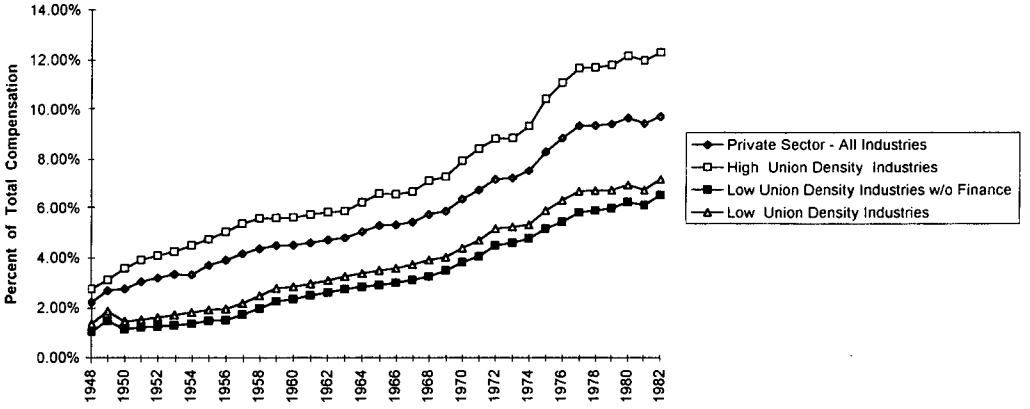
Source: "Employee Benefit Plans Under Collective Bargaining, Mid-1950," *Monthly Labor Review* 72 (March 1951), table 1, 156; "Health, Insurance, and Pension Plans in Union Contracts," *Monthly Labor Review* 78 (September 1955), table 1, 994.

union members covered by a health and welfare fund and/or pension in 1947 were from AFL unions. After the CIO surge of 1949–1950, there was little difference in the number of AFL or CIO workers protected from the vagaries of industrial life through collective bargaining. Where the AFL and CIO did differ was in their preferences for social protection: AFL unions were more inclined to bargain for health benefits than pensions. By 1954, 76 percent of CIO workers were covered by plans combining health and pension benefits compared to 41 percent of AFL workers; CIO workers, on the other hand, were much less likely to be covered by separate health or pension benefits.

Differences between rival union federations are trivial compared to differences in coverage between union members and all other workers. Access to the private safety net was determined by whether a worker was in a union or even in an industry that was heavily unionized. Figure 1 compares the ratio of private wage supplements to total compensation in high union density industries and low union density industries. Overall, private employee benefits such as pensions, group health, and life insurance made up a very large fraction of employee compensation by 1980. Private wage supplements accounted for about 2 percent of total employee compensation in 1948; by 1980 they were almost 10 percent of the total, and made up almost two-thirds of total wage supplements compared to just half in 1948. High union density industries paid out almost 3

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

FIGURE 1
Private Wage Supplements by Union Density



percent of compensation for social insurance and pensions in 1948 compared to 1 percent in low union density industries. By 1980 the figure was 12.2 percent for high union density industries and 6.3 percent for low union density industries. There is statistical evidence that unionization stimulates spending on private social benefits.[26] It was a key force in the growth of fringes in large nonunion companies. Such companies remained a small but significant segment of the core economy even during the turbulent days when unions were ascendant. One study estimated that 5 percent of the Fortune 500 companies were nonunion and found a much larger segment to be predominantly nonunion since a majority of production workers remained unorganized.[27] In large nonunion firms, fringes were pursued with all the zeal of a 1920s welfare capitalist and for much the same reason: to prevent unionization of the firms' employees.

Corporations have historically used fringes to change the relationship between management and labor by severing the union-worker tie. The welfare capitalism of the 1920s was predicated on constructing alternatives for employee "participation" and influence within the company and substituting com-

[26] The data in Figure 1 come from *The National Income and Product Accounts of the United States, 1929–1982: Statistical Tables* (Washington, DC: U.S. Government Printing Office, 1986), tables 6.4B and 6.13. Estimates of union membership are drawn from H. M. Douty "Collective Bargaining Coverage in Factory Employment, 1958," *Monthly Labor Review* 83 (April 1960): 345–349; and Richard B. Freeman and James L. Medoff, "New Estimates of Private Sector Unionism in the United States," *Industrial and Labor Relations Review* 32 (January 1979): 143–174. Freeman's study of wage compensation show that 8.5 percent of the wage package in unionized manufacturing companies goes for voluntary fringes compared to 5 percent in nonunionized manufacturing companies (and 8.3 percent in all unionized firms compared to 4 percent in non-unionized). See "The Effect of Unionism on Fringe Benefits," *Industrial and Labor Relations Review* 34 (July 1981): 496, 499–502.

[27] Fred K. Foulkes, "Large Nonunionized Employers" in Jack Stieber, Robert B. McKersie, and D. Quinn Mills, eds., *U.S. Industrial Relations 1950–1980: A Critical Assessment* (Madison, WI: Industrial Relations Research Association, 1981), 133.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

pany benefits for the union version. During World War II many large, nonunion companies adopted private social programs to quell demands for union representation. Both Eastman-Kodak and Sears rapidly expanded their corporate welfare programs during the war and set fringe benefits at levels that could be obtained in unionized firms, according to Sanford Jacoby. Another manufacturing firm, Thompson Products (later known as TRW), diligently tracked wages, seniority rules, and other bargaining matters in order to frame the company's own policies. The actions of these firms, Jacoby has demonstrated, were unrepentantly anti-union, but obviously ironic: the policies dedicated to thwarting unions served this purpose only to introduce "the same reforms the unions were seeking at the same time."[28] The policies of these three companies were replicated elsewhere, notably in IBM, Dupont, Eli Lilly, and Northrup.

The unionization of welfare capitalism not only insinuated itself by provoking defensive maneuvers among anti-union employers; it incorporated nonpecuniary obligations into the wage bargain. The language of social rights, which was then being used to establish a public obligation for social welfare, was embedded in collective bargaining, spreading from there to nonunion settings. The idea of a right to social benefits was interpreted by labor leaders as an obligation by management to provide for the health and security of workers and an entitlement due workers. As one union official explained, "The vast army of organized workers, not content to wait for possible legislation, have pressed for the attainment of some of these benefits now as a complement to the weekly payroll check. Workers want these benefits as part payment for their labor and not as a grant bearing the stigma of charity."[29]

Two ideas were important to unions: that the benefit was *earned*, a form of deferred compensation; and that the payment was a legitimate cost of doing business. Labor leaders often invoked analogies between labor and machines, arguing that providing for an adequate retirement or vacations was no different than replacing worn-out machinery. Like many labor leaders, Philip Murray saw the matter of collective bargaining and pensions as a moral question:

> I would take an old steelworker who has reached the age of 65, and who has rendered years of yeoman service, and given of his sweat and his blood, and perhaps a limb to industry, and is about to get out, he is about to leave, he is done, he is tired, and he has no pension except a measly form of social security. . . . I . . . should stand beside that old man here in this room a piece of metal, a piece of ordinary metal, and our system provides replacement, our system provides monies of a very substantial nature for wear, tear, and depreciation of that piece of iron, that piece of metal. There you have the man, the old man, the human machine, the creature, the man, possessing, as he does, the dignity of a man, and a creature of God. He gets nothing. And the same corporation that gives to him nothing expends

[28] Sanford M. Jacoby, "Norms and Cycles: The Dynamics of Nonunion Industrial Relations in the United States, 1897–1985," Working Paper Series—123 (Los Angeles: UCLA, Institute of Industrial Relations, 1987), 22–23.

[29] Baker and Dahl, *Group Health Insurance Plans and Sickness Benefits in Collective Bargaining,* 19.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

> $146,000,000 in the year 1948 for the wear and tear and depreciation of the inanimate machine, the piece of metal.[30]

Labor leaders were angered that corporate managers received lucrative pensions while workers received nothing or very little. Business leaders denounced these arguments, but public policy had already begun to shift toward labor's view. The War Labor Board took the initial step when it adopted the view that vacations were an earned right rather than a management prerogative, which was then imported into labor disputes, often by third party arbitrators. Acceptance of an obligation for private social benefits thus spread, reinforcing the anti-union inclinations of many employers.[31]

It is doubtful that business fully accepted the labor ideology of welfare capitalism; but notwithstanding the intransigence of the National Association of Manufacturers, business did come to accept fringes as part of the wage contract and collective bargaining. Davenport's argument for private social welfare became an intrinsic part of corporate ideology, even if notions of economic rights were discarded, and contributed to the diffusion of employee benefits. At the same time, unionized welfare capitalism was incrementally extended and undergirded by law. In 1952, the National Labor Relations Board (NLRB) ruled that it was illegal for either employers or unions to restrict fringe benefits to union members; and the Davis-Bacon Act was amended in 1964 to include fringe benefits in the definition of "prevailing wages," obligating contractors in federally financed construction projects to pay for pensions and health care not just wages.[32]

The Wages of Insecurity

CIO and AFL unions made collective bargaining over social rights an issue because it was central to the viability of unions as institutions. The union shift in priorities was neither a reluctant turn to voluntarism in the face of an intransigent Congress and a more conservative political environment nor a strategy to erode business opposition to the welfare state. The union decision grew out of the conflicts endemic to an emerging system of collective bargaining in the late 1940s.

[30] Proceedings of the Executive Committee, October/November 1949, Congress of Industrial Organizations, 34–35, George Meany Memorial Archives (hereafter GMMA). Also see Walter Reuther, "Too Old to Work; Too Young to Die" (speech given to the 1949 UAW convention) in Henry M. Christman, ed. *Walter P. Reuther: Selected Papers,* (New York: Macmillan Co., 1961), 36–43; L. S. Buckmaster, "CIO Views on Pensions," *The Commercial and Financial Chronicle* 170 (1 December 1949): 20. Buckmaster was president of the United Rubber, Cork, Linoleum, & Plastic Workers, a CIO affiliate.

[31] Allen, *Fringe Benefits,* 136–140, 168.

[32] Isadore Katz and David Jaffe, "Illegal Pension and Welfare Funds," *Labor Law Journal* 4 (January 1953): 13–18; Stuart R. Wolk, "The Fringe-Benefit Amendment to the Davis-Bacon Act," *Labor Law Journal* 15 (October 1964): 673–677.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Other explanations are not very persuasive. CIO leaders justified their 1949 bargaining initiatives as a way to expand public welfare policies, but there is no evidence that this gambit ever worked or that it was anything more than a rationalization for the 1949 collective bargaining strategy. In congressional testimony, Walter Reuther said, "We fought for a noncontributory pension plan in industry because we knew that that was the key to getting action at the Federal Government level." Reuther claimed the UAW tried to negotiate pension agreements that would reduce a company's contribution to a private pension plan as social security benefits were raised so, "the employer will have an incentive to go down to Washington and fight with us to get the Government to meet this problem. . . ."[33] They succeeded in extracting such an agreement from the Ford Motor Company, yet this may have been less a consequence of the UAW's bargaining strategy than employer intransigence. One report on the negotiations said that both the UAW and Steelworkers were seeking a pension with no offset so that both public and private pension benefits would rise together, but they lost at the bargaining table.

Nor was the failure to liberalize social security, improve unemployment benefits, and pass national health insurance the main reason unions decided to add social rights to collective bargaining. It is true that labor leaders sought private remedies in the face of public failure, but CIO and AFL unions would have made bargaining over corporate welfare programs an issue regardless of the outcome of legislative struggles. CIO officials endorsed a two-track strategy in 1949 that combined public and private social policies, and they indicated they had no intention of relenting in their efforts to make employers ante up for pensions and social insurance.[34] Liberalization of social security benefits would not have quelled labor's thirst for private pensions, because they were viewed as a supplement to social security rather than an alternative. The UAW said, "As improvements are made in federal Social Security, a larger portion of the Ford Company's 8.75 cents contribution will be used to retire past service credits. As increased federal benefits make it possible to pay off past service credits at a faster rate, the road will be cleared for the union through collective bargaining to win additional company-financed pensions and hospital and medical programs."[35] Labor elites were concerned about maintaining the standard of living for retiring workers, and social security, even if liberalized, was deemed insufficient. The UAW-GM pension agreement of 1950 in fact abandoned the goal of a $100 per month minimum pension linked to social security by allowing benefit increases to take effect with no offset.[36]

[33] United States Senate, *Social Security Revision,* Hearings before the Senate Finance Committee, 81st Cong., 2nd sess, pt. 3 (Washington, DC: U.S. Government Printing Office, 1950), 1908, quoted in Charles L. Dearing, *Industrial Pensions* (Washington, DC: The Brookings Institution, 1954), 47.

[34] Bernstein, "Employee Benefits in the Welfare State," 417.

[35] *United Auto Worker,* October 1949, 4, cited in Cook, ed., *Pensions and Health and Welfare Plans in Collective Bargaining,* 13.

[36] "Unions Will Press for Pension Gains," *New York Times,* 27 December 1949, 8.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Moreover, the public failure hypothesis begs the question of labor's choice to launch a massive compaign to obtain private social protection after Truman's reelection, the one moment when the possibilities of enacting new social policies seemed brightest. Even if it were true that the 1949 pension agreements were sought to force action on social security legislation, this does not explain the drive for health benefits. There was in fact little debate over the implications of the labor strategy for Truman's health insurance bill. The choice of 1949 was not dictated by conservative opposition to the welfare state; it was made before the Truman administration introduced pension and health legislation and was based on a calculation that wage increases were unattainable in a year in which the economy was widely perceived to be sliding into a recession, but health and pension benefits were attainable.[37]

The union preference for fringes is more accurately understood in the context of postwar conflict between unions and corporate managers to control the development and shape of the system of modern collective bargaining. Organized labor emerged from the war as a formidable social force in American society. Unionized workers made up 30.4 percent of the nonfarm labor force in 1945, and the number of workers organized into unions increased by six million between 1939–1945, twice the number during the 1930s, when unions grew by only three million from 1933–1936.[38] Unions obtained these membership gains with the aid of the NWLB by trading a no-strike pledge and an agreement to accept wage stabilization policies for commitment to membership maintenance clauses. When the war ended, unions had finally secured a position in the industrial order and strengthened their organizational capacity; but their power and prerogatives relative to business within the new system of industrial relations and the reach of the labor movement remained to be established.[39]

The strikes and negotiations from 1945 to 1950 were never simply about wages and hours; the very terms of collective bargaining were at issue in this war. Labor and business meant quite different things by the term "collective bargaining." Most business leaders at the time were either explicitly anti-union or dedicated to containment, a strategy that confined bargaining to as narrow a scope as possible—wages, hours, and conditions of employment. Business circumscribed the status of unions by refusing to consult labor leaders, by going to the mat no matter what the cost, and by attempting to directly communicate with workers. Business was visibly angered that unions publicly justified their wage and fringe benefit demands with appeals to human rights, purchasing

[37] This was widely reported at the time; see *Business Week,* 22 January 1949, 19; *New York Times,* 28 March 1949.

[38] Leo Troy and Neil Sheflin, *U.S. Union Sourcebook* (West Orange, NJ: Industrial Relations Data and Information Services, 1985), iii-10–11.

[39] Howell J. Harris, *The Right to Manage* (Madison: University of Wisconsin Press, 1982), 43–60; Nelson Lichtenstein, *Labor's War at Home* (New York: Cambridge University Press, 1982), 73–81; Robert M. MacDonald, "Collective Bargaining in the Postwar Period," *Industrial and Labor Relations Review* 20 (1966–67): 554–558.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

power, or the American standard of living.[40] GM managment, Frederick Harbison and Robert Dubin point out, always construed "bargaining with the union" and "dealings with our employees" as distinct activities. Nor was GM unique. General Electric executives followed a labor strategy designed to break down communication and ties between workers and unions while cultivating a direct employer-employee tie. The point was to render unions to a confined and narrow niche in the industrial order.[41]

Labor elites took a much broader view of collective bargaining, though it would be incorrect to ascribe unanimity to the labor movement. Reuther thought political ends could be obtained through collective bargaining. Just as the war ended, he demanded a 30 percent wage increase from General Motors with no price increase, thus putting the corporation's price policies on the bargaining table. Reuther's demands reflected what has since come to be called "social unionism," the idea that the labor movement embodied the aspirations of all people—union as well as nonunion members. Elements of this vision, central to the CIO at the time, could be found in Philip Murray's corporativist scheme for planning and CIO agitation for the guaranteed annual wage. Reuther's bold initiative was perhaps quixotic in its assumption that collective bargaining was a suitable vehicle to gain political ends in an otherwise fragmented labor movement. He failed when other CIO unions defected and took the wage increases they gained from the strike, letting others worry about prices.

The broad-gauged CIO strategy of 1945–1946 gave way to a more narrowly framed collective bargaining strategy by the fall of 1946 as Reuther and Murray, with William Green and the AFL following suit, embraced unionized welfare capitalism. For Murray and Reuther, arguably the two most influential CIO leaders, this amounted to abandoning, though it was denied, any link between collective bargaining and political ends. Their decision was influenced by the wide assault on unions then being undertaken by conservatives and the failure to tie wage increases to price controls or to negotiate a guaranteed annual wage. But if such events pointed to the limits on union power, they did not dictate the sharp shift in the CIO agenda that actually took place. Nor did the preference for fringes originate from rank and file demands. Most union members remained indifferent if not hostile to the idea, preferring wage increases to private social benefits.[42] The demand to collectively bargain social rights derived from the preoccupations and concerns of union elites, especially

[40] Harris, *The Right to Manage,* 60.

[41] Frederick H. Harbison and Robert Dubin, *Patterns of Union-Management Relations* (Chicago: Industrial Relations Center, University of Chicago, 1947) 46, 51; Ronald W. Schatz, *The Electrical Workers,* (Urbana: University of Illinois Press, 1983), 171; also see David Brody, "The Uses of Power I: Industrial Battleground" in Brody, *Workers in Industrial America,* 183–186; and Jacoby, "Norms and Cycles," 18–38 in this vein.

[42] Baker and Dahl, *Group Health Insurance and Sickness Benefits Plans in Collective Bargaining,* 22; E. Robert Livernash, *Collective Bargaining in the Basic Steel Industry* (Washington, DC: U.S. Department of Labor, 1961), 86.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

in the three most influential unions—miners, steelworkers, and auto workers. Indeed, the shift in strategy was imposed from above: Lewis, Murray, and Reuther changed course.

John L. Lewis's demand in 1945–1946 for a company-funded union health and welfare fund was arguably the single most influential action taken by a union leader at the time; it was far more decisive for the future of the labor movement than Reuther's abortive collective bargaining strategy. The mine workers' success legitimized the pursuit of private social rights within the labor movement and put the onus upon other labor leaders to show they could do just as well. Yet Lewis's actions would have made little difference had the CIO not changed its heart and had the steelworkers and auto workers not succeeded in making fringes an object of negotiation. Both unions put fringes on the bargaining table for the 1947 round. The UAW wanted management to contribute 3 percent of payrolls to an insurance fund for health and sickness benefits (including maternity benefits) and survivor's benefits; and the steelworkers asked for a guaranteed annual wage and social insurance. It is the success of the two that opened the door to widespread bargaining over private social rights.[43]

For these three unions, the shift to unionized welfare capitalism was more a response to internal organizational dilemmas, aggravated by the ongoing struggle with management, than it was a political strategy to use collective bargaining to gain business support for public social welfare or a reaction to Reuther's aborted campaign to link profits and wages. Putting private social benefits on the bargaining table was very often integral to the long-run viability and success of a union. More than any other factor this explains John L. Lewis's bold strategy in 1945–1946. His demand for a company-funded health and welfare fund in the spring of 1945 was merely the opening salvo in a long fight with mine owners that was not really settled until 1950. Lewis's behavior is often explained by the latent voluntarism in the soul of this AFL unionist; Raymond Munts describes him as a "Republican on vacation" during the New Deal.[44] Lewis, unlike many labor leaders, had abandoned the New Deal to strike out on his own, and his rhetoric was stridently voluntaristic by the time Harry Truman was reelected. But whether one should attribute his actions to a simple bread-and-butter voluntarism, the idea that unions should go it alone is dubious. This was less important than the health of the union work force and the union's long-run bargaining strategy.

The UMW faced a somewhat unusual set of problems in the late 1940s. Mine workers were older and less healthy than workers in many other indus-

[43] The UAW demands were formulated prior to the 1946 election. Martin Halpern, *UAW Politics in the Cold War Era* (Albany, NY: SUNY Press, 1988), 188. For the UAW demands, see *Business Week,* 7 December 1946; and for the steel demands, see Livernash, *Collective Bargaining in the Basic Steel Industry,* 255–256. Harold M. Levinson documents the indispensible role of USW and UAW; see his *Collective Bargaining in the Steel Industry* (Ann Arbor: University of Michigan Press-Wayne State University, 1962), 25.

[44] Raymond Munts, *Bargaining for Health* (Madison: University of Wisconsin Press, 1967), 32.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

tries. The average age of UMW miners was 45 by 1944; only 16 percent were below the age of 30, and one-third of these had been classified as 4-F during the war. There were over 11,000 miners over the age of 65 still working. The aging work force in the mines was a consequence of a union decision to strictly enforce seniority rules during the Depression, which adversely affected younger workers. Confronted with an older and less healthy work force in a dangerous, accident prone industry, Lewis had ample incentive to make an issue of health and welfare benefits.[45] Pensions, Lewis argued, could only enhance the efficiency of the industry by retiring older workers and opening up opportunities for younger workers. But the health of miners was only one of the reasons for the strategy; more important was the union's decision to sacrifice jobs in the mining industry and to accept the narrowing of its constituency as the price for mechanizing the mines.

The UMW bargaining strategy, which remained unchanged since the 1920s, was based on sustaining the long-run viability of the industry through increasing productivity and eliminating competition in the perennially chaotic coal industry. Besides improving the economic status of miners, the UMW sought to stabilize wage rates in cyclical downturns, which in their view were a function of excess capacity. To this was added a policy of equalizing wage differentials both within mines and regionally. From the union's point of view, the long-run health of the union depended on the elimination of competition within the industry and its mechanization. As Lewis described the strategy in an interview, "The United Mine Workers recognized three or four decades ago that the only way to increase the standard of living in the mining industry was to create new value by greater productivity. . . ."[46] The demand for health and welfare funds and company pensions was essential to this strategy, since private social benefits made possible the necessary reduction in the work force required by the union's bargaining strategy. A health and welfare fund dovetailed mechanization in myriad ways: they provided the means to compensate displaced miners; and since the fund was noncontributory and tied to productivity, it worked against high-cost mines, which the union wanted to push out of business, and made the income of the fund independent of the number of men employed. Employment in mining dropped dramatically after 1950 as did UMW membership, but those remaining in the union had little cause to complain. Besides a generous health and welfare fund, wages in the coal industry remained high; the ratio of wages in the coal industry to all manufacturing industries increased from 1.16 to 1.25.[47]

[45] Melyvn Dubofsky and Warren Van Tine, *John L. Lewis: A Biography* (New York: Quadrangle/New York Times Books, 1977), 459; Morton S. Baratz, *The Union and the Coal Industry* (New Haven: Yale University Press, 1955), 114.

[46] "Pensions: The Coming Issue in Labor Relations, An Interview with John L. Lewis," *U.S. News and World Report,* 19 November 1948, 37; Baratz, *The Union and the Coal Industry,* 51, 69.

[47] Baratz, *The Union and the Coal Industry,* 116; William H. Miernyk, "Coal" in Gerald G. Somers, ed., *Collective Bargaining: Contemporary American Experience,* (Madison, WI: Industrial Relations Research Association, 1979), I-11, I-24, I-44–47.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Mechanization was not the only reason union elites demanded that businesses negotiate private social rights. Many union leaders saw fringes as a way to make gains when large wage increases were ruled out, typically during periods of recession or inflation. The auto workers made pensions and social insurance a key element of their bargaining strategy in order to establish pattern bargaining.[48] Fringe benefits were also a distributive good that union leaders could use to attract followers and consolidate power. Lewis used the UMW Health and Welfare fund as a source of control, and fringes were deployed as a weapon in factional struggles embroiling the auto workers during 1947.[49] But the main reason unions put private social protection on the bargaining table was union security.

In an assessment of the Taft-Hartley Act, Clark Clifford, an adviser to President Truman, was told unions "are numerically strong but organizationally insecure. . . . They are forced to fight with every weapon at their command what they consider threats to the development and maintenance of group solidarity among their members."[50] If unions were impervious to a complete rollback in the postwar period, they had by no means escaped challenges to their security and power. Union security was always an issue for labor leaders, given the deeply rooted and distinctive hostility of American business to their very existence. What typifies American business, argues Sanford Jacoby, is its unremitting antagonism to unions, a hostility that hardly abated after depression and war, and their ability compared to their European counterparts to act on it. Legal guarantees of security were regarded as insufficient by most union leaders. As one UMW official said at the time, "It is not the union shop which stabilizes union membership in the captive mines, but other informal devices for membership control."[51]

Union security remained a concern of union leaders in the late 1940s and at the root of their fears was Taft-Hartley. Paul M. Herzog, chair of the NLRB, did not accept the union view that Taft-Hartley was a "slave labor" law, but he did regard it as a significant shift in federal policy, noting that Title I "taken as a whole will inevitably have the effect of weakening government protection

[48] Halpern, *UAW Politics in the Cold War Era,* 188; John Barnard, *Walter Reuther and the Rise of the Auto Workers* (Boston: Little, Brown, 1983), 140–141; personal communication from Nelson Lichtenstein (available from author).

[49] This became more difficult after passage of Taft-Hartley, which required either joint business-union control or business control of health and welfare funds. Even so, such funds were apparently instrumental to the rise of David Beck and the centralization of bargaining in the 1950s within the Teamsters Union. See William Goldner, "Trade Union Structure and Private Pension Plans," *Industrial and Labor Relations Review* 5 (October 1951): 67.

[50] E. Wright Bakke to Clark Clifford, 14 June 1947, Papers of Clark Clifford, Box 8, Folder: HR 3020, #2, Harry S. Truman Library (hereafter HSTL), Independence, MO.

[51] Jacoby, "Norms and Cycles," 3–4, 9–12, 32–33; Robert C. Spencer, "Bargaining with the Government: A Case Study in the Politics of Collective Bargaining in the Basic Steel Industry," (Ph.D. dissertation, University of Chicago, 1955), 91.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

of employee rights and discouraging collective bargaining."[52] The bill stacked the deck against union power, enlarging opportunities for businesses to resist unions or crush weak unions and diluting union power in the work place. The union security provisions of the law were especially threatening. The Taft-Hartley Act flatly banned the closed shop, where membership in the union was required as a condition of employment. It permitted a union shop, a less restrictive method of maintaining membership, but imposed severe obstacles to its creation. The law required a thirty-day waiting period to give newly hired workers the chance not to join the union; a union shop could only be negotiated if 30 percent of the workers petitioned for an election on this issue and if a majority of all eligible workers approved it; before holding an election, union officials were required to sign an affidavit that the union was not communist; and state laws prevailed if they had stricter provisions.

Taft-Hartley's union security provisions indicate what Representative Hartley (R-NJ) meant when he told the House, "there is more in this bill than may meet the eye." The "more" in the case of union security was a provision that stipulated that employers need not accept a union shop even if workers voted for it; they were only required to bargain about the matter. More nefarious, the law's requirements for union security could be overridden by state laws prohibiting the closed shop. These laws were encouraged by the notorious Section 14(b), which made state right-to-work laws legal. The union security requirements were a sham, if not unworkable. The law created a national standard on union security, then proceeded to permit states to "outlaw completely all forms of union security and thus destroy the federal standards." All this was rather ominous, since right to work laws were proliferating, and by fall 1947, thirteen states had outlawed the closed shop. Most observers believed that Taft-Hartley's security provisions were mainly a threat to smaller, weaker unions. But not even the powerful steel workers were immune. The steel companies were opposed to all but the loosest guarantee of membership, and the question of union security remained an issue until the 1952 steel strike.[53]

The Taft-Hartley obstacle course for union security backfired in one respect: almost all votes on the issue resulted in strong majorities for a union shop, thus crushing conservative illusions about workers' desire for the closed shop. And it had little effect on hiring practices, according to insiders. But union security was the hot issue before the NLRB. About two-thirds of all cases brought in late 1947 and 1948 pertained to the union security requirements. Outlawing the closed shop and erecting obstacles to the union shop led unions to search for other ways to ensure union security. The preferred device was a

[52] Herzog to President Truman, July 1947, 11, OF 407, Taft-Hartley Bill 1947–48, HSTL.

[53] Herzog to President Truman, July 1947, 1–4, OF 407, Taft-Hartley Bill 1947-48; Bakke to Clifford, 14 June 1947; "Union Security Provisions," 23 August 1948, Papers of Harold Enarson, Box 2, 6–7, 12, 19–20, 25; Harold Enarson, "Draft Statement on Amendments to Taft-Hartley," 3 March 1952, 8, Papers of Charles Murphy, Box 2, Labor-Management Relations Act (LMRA) of 1947, HSTL; Spencer, "Bargaining with the Government," 88–89.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

health and welfare fund, which solidified the loyalty of the rank and file and offered the union stability of membership, because benefits were typically tied to the firm and hence the union.

Private social rights became a divisive issue between unions and management because both unions and management were contesting for the loyalties of a work force formed by and large in the crucible of war. African-American and white sharecroppers migrated to the factories of the North and West Coast, and many women left the kitchen for the assembly line, confronting union leaders with a more diverse work force that had not been through the organizing battles of the 1930s and had become members of unions by virtue of government mandates rather than strikes.[54] Lacking the shared experience of organizing new unions in the 1930s, these new workers were up for grabs. Most unions demanded that existing corporate benefit plans be extended to union members on terms negotiated by the union rather than create new plans. This amounted to disarming management in their ongoing struggle for the loyalty of workers. It took away one of the tools bosses had historically wielded to the detriment of labor organizations.

More significantly, unions found in collectively bargained social rights an escape hatch from the threat to their security posed by Taft-Hartley. Fringes obtained on union terms provided the virtual equivalent of a closed shop. Business leaders and their political allies in Congress were very much aware of this. The Ball report, a congressional assessment of Taft-Hartley one year after passage, concluded that union-bargained health and welfare funds provided not only a way of disciplining members but "a means of obtaining a condition closely approaching the closed shop now prohibited by the act." The Chamber of Commerce echoed Republican complaints, grousing that the "use of welfare plan demands as an organization device or as a substitute for the closed shop violates . . . precepts of cost, employee need, and the company's capacity to carry the plan."[55] Although business typically stated opposition to negotiating fringes as an inability of reaching an agreement with unions on "actuarially sound" plans, the real objection was any hint of union involvement—on any basis. In his congressional testimony on the Taft-Hartley Act, Charles Wilson, the head of General Motors, told Congress, "Only by defining and restricting collective bargaining to its proper sphere can we hope to save what we have come to know as our American system and keep it from evolving into an alien form, imported from east of the Rhine. Unless this is done, the border area of collective bargaining will be a constant battleground between employers and unions. . . ."[56]

[54] Mike Davis, *Prisoners of the American Dream* (London: Verso, 1986), 75, 77–78.

[55] United States Congress, Report of the Joint Committee on Labor-Management Relations, 80th Cong., 2nd sess., *Labor-Management Relations: Welfare Funds* (Washington, DC: U.S. Government Printing Office; 1948), 13; U.S. Chamber of Commerce, *Welfare Plans and Collective Bargaining* (Washington, DC: U.S. Chamber of Congress, 1950), 35, quoted in Goldner, "Trade Union Structure and Private Pension Plans," 65.

[56] Harbison and Dubin, *Patterns of Union-Management Relations,* 57.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

The business strategy to weaken unions depended on undercutting the union's role as an intermediary between management and the work force; and unilateral control over fringes was one way to weaken the union and build direct ties with workers. Employee relations departments were enlarged in the postwar period as managers revived the tools of 1920s' welfare capitalism. Pensions and social insurance were notably combined with a variety of recreational and social programs, which were explicitly designed to win over workers and undermine the assumed radicalism of many unions.[57] Under these circumstances, it is not surprising that union leaders put private social rights on the bargaining table. They would have been foolish not to.

The Democrats' Dilemma: Unions or Welfare State?

The shift in union priorities during and after 1946 and the growth of unionized welfare capitalism is attributable to the exigencies of collective bargaining and union security. As such, the question of the relationship between unionized welfare capitalism and the welfare state was framed and decided as a matter of labor policy. Labor leaders consistently denied there was any real conflict between their collective bargaining strategies and the future of public social welfare in America. Democrats knew otherwise. Harry Truman had warned, "The basic approach [to security] should be through a comprehensive public program of old-age, survivors, and disability insurance, rather than through a multiplicity of unrelated private plans, which would inevitably omit large numbers of the working population and treat others unequally."[58] Truman's statement obscured a fundamental truth of the postwar era: unions could not have succeeded in negotiating a private welfare state without the aid of the Democratic party. Unions lacked the power to compel companies to bargain in good faith over health and welfare funds. John L. Lewis's hardball tactics put the UMW at the forefront of unionized welfare capitalism and made the rest of the labor movement envious, but did little to ensure business's acceptance of collective bargaining of private social protection for the wider labor movement. On the contrary, Lewis's actions mobilized business against bargaining over fringes. Democrats were left with the difficult task of defending unions' right to bargain while they were trying to launch new public social policies and liberalize social security.

Mine owners launched a furious assault against union bargaining for health and welfare funds when the Republican-controlled 80th Congress opened for business. One hard-headed mine owner warned of impending labor strife unless something were done, characterizing the UMW health and welfare fund as

[57] Ibid., 69–70; Elizabeth Fones-Wolf, "Industrial Recreation, the Second World War, and the Revival of Welfare Capitalism, 1934–1960," *Business History Review* 60 (Summer 1986): 242–243, 250–253; Harris, *The Right to Manage,* 170–171.

[58] *Public Papers of the Presidents of the United States: Harry S. Truman, 1950* (Washington, DC: U.S. Government Printing Office, 1951), 72.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

"coerced exaction typical of the broad band of coerced demands not related to wages and working conditions . . . now on the agenda of every central union in a program of sweeping encroachment on the earnings and functions of ownership and management, with no limitation whatever except the conscience of the union dynasty." Republicans responded by attempting to outlaw health and welfare funds. Taft-Hartley was as much about unionized welfare capitalism as anything else.[59]

Democrats did what Lewis could not. They first turned back the Republican assault on union health and welfare funds; then they made such bargaining legal in the NLRB's *Inland Steel* case of 1948 and legitimized the practice with the decision of the president's Steel Board in 1949. At each moment Democrats faced a wrenching dilemma. James Murray and other liberal proponents of universal public social welfare were well aware of the implications of health and welfare funds for their cause, but thought they had to protect a union's right to bargain over them. Truman opposed private pensions, believing they would hinder efforts to liberalize social security and lead to an inequitable welfare state; but he could not very well oppose Philip Murray and the CIO to whom he was indebted for victory in 1948.

The Democrats actually had little choice. Republicans and their business allies were always more hostile to unions than the welfare state. For both sides the issue was control and influence in the workplace. In a sense, the political struggle over unionized welfare capitalism was driven by the question of union security and influence, just as union strategy was. Both the Case bill, an anti-labor law that failed to pass Congress in 1946, and the Taft-Hartley Act contained provisions that made employer contributions to a union health and welfare fund an unfair labor practice. House Republicans were not shy about the target of their animus—Lewis and the UMW—and portrayed the issue as one of abuse of power. The House majority report on Taft-Hartley said, "Certainly, it is not in the national interest for union leaders to control these great, unregulated, untaxed funds derived from exactions upon employers. The clause forbids employers to conspire with unions to mulct employees, without their consent, of huge amounts that ought to go into the woker's wages." Lewis was but a convenient target for Republicans intent on weakening unions. Banning health and welfare funds was akin to restoring injunctions, outlawing the closed shop, and facilitating state right-to-work laws—in short implementing the business agenda to contain unions. Democrats understood all this and objected. Robert Wagner (D-NY) remonstrated in the Senate debate that the exclusion of pensions and social insurance from collective bargaining gave employers control over matters that should not be subject to the "power of industrial absolutism."[60]

[59] "New Strike Looms Coal Official Says," *New York Times,* 12 February 1947.

[60] *Legislative History of the Labor Management Relations Act, 1947,* 2 vols. (Washington, DC: U.S. Government Printing Office, 1959), vol i, 320-321; Senate, *Congressional Record,* Senate, 11 April 1947, 998.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Unionized welfare capitalism was a partisan issue that led to one of the more surreal debates ever to occur in the United States Congress. If the opposing parties behaved with all the loyalty toward constituent groups that could be expected, they found themselves arguing against what might have been presumed to be their interests with respect to social policy. Claude "Red" Pepper (D-FL), so labeled by conservatives more for his political proclivities than his taste for hot food, pointedly observed in the Senate, "Surely those who object to a national health insurance program should not object to a policy of providing for the welfare of the workers in an industry by collective bargaining agreement between management and employees engaged in the industry." Republicans assumed they could have both a weakened labor movement and no welfare state. Democrats had to follow a more torturous path. Thus we find rising pro-welfare state liberals such as Adam Clayton Powell (D-NY) and John F. Kennedy (D-MA) defending union health and welfare funds in the House Minority Report by invoking antiwelfare state rhetoric. "Provisions which deny employees and organizations the opportunity to make voluntary provisions against illness and insecurity," they said, "can only increase reliance upon the State. . . . The majority fails to appreciate the serious implications of their proposals and their invitation to unrestricted Government control of almost every aspect of normal life." Politics not only makes strange bedfellows; it makes for even stranger rhetoric occasionally.[61]

Intransigent House Republicans inevitably had to defer to cooler heads in the Senate, and Congress passed a law that regulated rather than banned health and welfare funds. Congress could have decided to exclude private social protection from collective bargaining altogether, but did not. The Senate bill, which prevailed, left intact language in the Wagner Act that permitted collective bargaining over "other conditions of employment," but made employer contributions to health and welfare funds legal only if the funds were jointly managed and the money was deposited into a trust. The law did succeed in circumscribing union control of the funds, but it provoked labor conflict rather than stability, as Robert Taft (R-OH) had assured his colleagues would be the case. And the reason, of course, had to do with the other provisions of Taft-Hartley which inspired unions to make pensions and health and welfare funds contested terrain.

Republicans set out to finish off health and welfare funds in 1948. The issue figured prominently in hearings scheduled to evaluate the operation of Taft-Hartley, although the law had been in effect less than a year when they commenced. Democrats undercut the Republican strategy when the NLRB, dominated by a four to one pro labor majority, ruled in favor of steel unions in the *Inland Steel* case and declared that private pensions were equivalent to wages and thus legally within the scope of collective bargaining.[62] This was quickly

[61] *Congressional Record*, 7 May 1947, 1306; *Legislative History of the Labor-Management Act*, 370.
[62] *Inland Steel Co.*, 77 NLRB 1, 21 LRRM, 1310.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

followed by the *W.W. Cross* case, which permitted bargaining over social insurance. What interested contemporary observers is that the NLRB could have decided the case on narrow grounds without ruling on the broader question of whether pensions came under the Wagner Act's definition of "conditions of employment." But what the Republicans had been unable to settle in 1947 and wanted to settle in 1948, the NLRB decided. *Inland Steel* was a preemptive strike launched by Paul Herzog, a New York lawyer with solid New Deal credentials and strong labor ties. The NLRB decision and its subsequent ratification by the courts opened the door to bargaining over social rights and left legislative derailment as the only way to shut down unionized welfare capitalism. Business leaders fumed during the hearings, union representatives made but a token appearance, and the Ball report castigated union health and welfare funds for a multitude of sins; but any possibility of outlawing unionized welfare capitalism was closed when the balance of power in Congress changed after the 1948 election.

The *Inland Steel* decision did not establish the legitimacy of collectively bargained social rights; it merely made them bargainable. What truly opened the flood gates and shattered corporate resistance was Truman's Steel Board. Appointed in July 1949 as a fact-finding board to recommend a settlement for the steel strike, the board surprised almost everyone by turning down the steelworker's request for a wage increase but accepting the union's demand for pensions and social insurance. The Board concluded:

> . . . that all industry, in the absence of adequate Government programs, owes an obligation to workers to provide for maintenance of the human body in the form of medical and similar benefits and full depreciation in the form of old-age retirement—in the same way as it does now for plant and machinery. This obligation is one which should be fulfilled by enlightened business management not when everything else has been taken care of but as one of the fixed costs of doing business—one of the first charges on revenues before profits."[63]

Philip Murray could not have asked for more. He may have lost a wage increase, but he gained something far more important. Remarkably, the Board incorporated the CIO theory of bargained social rights, almost word for word, into the steel strike settlement and gave it the imprimatur of the White House.

Why did the Steel Board decide as it did? If the Board's report could have been written by Philip Murray and Russell W. Davenport, the question of private versus public social protection was not at issue. The idea of trading wages for social insurance was introduced by Samuel Rosenman, FDR's former speech writer and Truman's sometime aide, and accepted only reluctantly by David Cole, a staunch pro-labor Democrat. Rosenman and Carroll Daughtery, the third member of the Steel Board, were looking for a way out of the strike without giving labor very much. In fact, Rosenman's first attempt at a solution

[63] *Report to the President of the United States on the Labor Dispute in the Basic Steel Industry* (Washington, DC: U.S. Government Printing Office, 10 September 1949), 55.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

gave labor very little. "R unfolds his approach for the first time," Harold Enarson, the Board's secretary wrote in his notes. "Is this the famous comrade-in-arms of FDR and the New Deal? No general wage increase, no pensions, and about 3 cents for contributory social insurance. This is 1/2 cents more than the companies have offered. Looks crazy."[64] Outvoted on the question of a wage increase, Cole resorted to liberalizing the insurance recommendations. Whether Rosenman had turned right because he had "big clients now," as Cole suspected, or because he knew that Murray would be happy to accept social insurance without wages is unclear. In any event, it was a victory for the steel union. The steel industry was outraged but also genuinely surprised. The big companies resisted settling, while the union predictably embraced the report. Murray more or less got what he wanted when the companies did settle, and the auto workers quickly followed suit. The war was over.

The Steel Board report is less perplexing when considered from the perspective of union bargaining strategies and the solidification of the union-Democratic party tie in the late 1940s. Union bargaining strategies, particularly Murray's, were predicated on provoking federal involvement in labor disputes under the well-founded belief that federal intervention would tilt the balance of power their way. Unlike Lewis who abandoned Roosevelt and the New Deal, Murray put labor's future in the hands of New Dealers and carefully crafted his bargaining strategy accordingly. The success of the USW's three major postwar strikes—1946, 1949, and 1952—depended on presidential intervention, which Murray correctly calculated would work to union advantage. Bargaining in the steel industry unfolded according to a stylized format, with labor demanding and receiving federal assistance in overcoming the resistance of steel executives, and all parties understanding that steel would be allowed to take a hefty price increase at the end.[65]

The Steel Board is a ripe example of Murray's strategy, and Truman went out of his way to accommodate him. The president in fact evaded the Taft-Hartley requirement that he obtain a strike injunction to do so. The union was at an obvious disadvantage in 1949: steel prices were falling and the industry was cutting back production. Moreover, the union was trying to reopen the question of pensions, which the industry maintained was closed by a prior agreement. The steel companies made it clear they were willing to take a strike on the question of pensions, the one demand the USW was unwilling to compromise on. Murray took the one action on the eve of the strike calculated to insure favorable federal intervention: he instructed union officers to comply

[64] Enarson Personal Notes, 20 August 1949, Papers of Harold Enarson, Box 2, Notes and Memoranda on the Steel Board, 1949, HSTL.

[65] Frederick H. Harbison and Robert Spencer, "The Politics of Collective Bargaining: The Postwar Record in Steel," *American Political Science Review* 48 (September 1954): 705–720; Ronald W. Schatz, "Philip Murray and the Subordination of the Industrial Unions to the United States Government" in Melvyn Dubofsky and Warren Van Tine, eds., *Labor Leaders in America* (Urbana: University of Illinois Press, 1988), 246, 251–255.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

with the Taft-Hartley requirement to sign an affidavit they were not communists. There is little doubt that this action was tied to the union strategy for pensions and social insurance, and the reason goes back to the *Inland Steel* case. In that decision, the NLRB made bargaining on pensions conditional on compliance with the affidavit requirement. The USW resisted and went to court, where they eventually lost. By agreeing to take the USW into the anticommunist fold, Murray was signaling his acceptance of the NLRB quid pro quo.[66]

Truman was unlikely to refuse Murray. His willingness to support a policy that ran counter to his own judgment was the result of concerted effort to patch up the union-party alliance, which was in some jeopardy at the end of the war. Labor leaders had been soured by Truman's reconversion policies and his preemptive actions during the 1946 strike wave. Clark Clifford advised Truman that he had to renew "the administration's working relationship with progressive and labor leaders," arguing that "no moment will ever be better for the President to make political capital out of the present frustration of the labor movement."[67] Truman acted on this advice and vetoed Taft-Hartley, held regular meetings with Murray and other labor leaders throughout 1948, and tailored the administration's legistlative strategy to union needs. The Steel Board was quite clearly the product of an alliance between a Democratically controlled White House and a stalwart ally, and it produced a settlement that favored the agenda of labor elites.

Labor in the Welfare State

Unionized welfare capitalism was born of a fear for the future viability of unions as political and economic institutions. The business assault on unions at the end of the war, rather than roadblocks to the welfare state thrown up by conservatives, made fringes a collective bargaining issue that unions could not very well ignore. Labor leaders surely saw pensions and social insurance as a way to expand the pay envelope, and they used it to expand their bargaining options. But Taft-Hartley turned it into a question of union security, and unions acted accordingly. What remains is to assess the implications for labor's relationship to the welfare state.

Did unionized welfare capitalism lead labor unions to turn their backs on the welfare state? In one respect no. Katherine Ellickson, one of several national AFL-CIO officials involved with social insurance in the postwar years, recalled that CIO leaders of the late 1940s were men "who sincerely believed

[66] Spencer, "Bargaining with the Government," 92, 114–119, 121–122. It was common knowledge in the press that the NLRB was using pensions as a tool to get unions to comply with Taft-Hartley's anticommunist provision. The *Chicago Daily News* reported on 18 March 1948 that it was understood in "labor circles in Washington that the board will use this case as a lever to force compliance by Philip Murray and the steelworkers union with all the requirements of the Taft-Hartley Act." Papers of Paul Herzog, Box 5, Speeches, Folder #1, 1947-50, HSTL.

[67] Clifford to President, 19 November 1947, 21, Papers of Clark Clifford, Box 2, HSTL.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

that the labor movement could not build its own welfare without consideration of the welfare of the whole working group, and it felt that the labor movement had a mission to do things for the nation as a whole."[68] There is overwhelming evidence of labor advocacy on behalf of policies and programs dedicated to the economic well-being of all low-income and working citizens, whether members of a union or not. Union leaders stood for an aggressive fiscal policy and the indiscriminant use of federal spending as a way of countering unemployment. They favored increased spending for agricultural subsidies throughout the postwar period, even when the Farm Bureau opposed it.[69] During the Eisenhower years, the AFL-CIO social security department operated as an adjunct to the Democratic party and the social security administration, and took over the "spearheading job in the field of social insurance and rallying the allies that it could muster for these improvements."[70] Outside the South, the labor movement became the organizational arm of the Democratic party, and with the formation of the Committee on Political Education (COPE) in the late 1950s, committed itself to transforming the party by recruiting low-income and African-American voters in the North and by purging the enemy, Southern Democrats.[71]

But if the AFL-CIO leadership and prominent labor elites took an expansive view of their responsibilities toward working men and women, individual unions were not always willing to do so. Unionized welfare capitalism changed the incentives for union political action and undercut efforts to enact public social policies. Nowhere was this more apparent than during Harry Truman's campaign for national health insurance. One labor leader admitted at the time that, "the benefits workers get under the health and welfare plans are so much greater than those we have dared to include in the health insurance bills that it has become an anomaly for us to continue to favor compulsory health insurance."[72] John L. Lewis refused to support Truman's health insurance legislation, because he preferred the UMW health and welfare fund he had negotiated to a public system. Lewis's decision is not surprising, but it was by no means isolated. Union leaders had told administration officials they would wait and see if health insurance legislation was enacted by January or February 1949 and if not to pursue "demands for private funds full blast."[73] This decision had little to do with Truman's failure to persuade Congress to pass national health insurance legislation. But it did matter to the outcome.

[68] Katherine Ellickson, Columbia Oral History Collection, Part IV: Labor, 89.

[69] Karen Orren, "Union Politics and Postwar Liberalism in the United States, 1946-1979, *Studies in American Political Development* 1 (1986), 219–228.

[70] Ellickson, Columbia Oral History, 88.

[71] Greenstone, *Labor in American Politics,* chaps. 8, 10.

[72] Quoted in Edwin E. Witte, "Organized Labor and Social Security" in Milton Derber and Edwin Young, eds., *Labor and the New Deal* (Madison: University of Wisconsin Press, 1957), 271.

[73] Edward Berkowitz and Kim McQuaid, *Creating the Welfare State: The Political Economy of Twentieth-Century Reform,* 2nd ed. (New York: Praeger Publishers, 1988), 167; Stark to Jones, 26 November 1948, RG 51 Series 39.14a, #821, National Archives.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

What was clear by the summer of 1949 was that the one policy that could not be enacted was national health insurance. Truman's bill was bottled up in the Ways and Means committee and inspired opposition from numerous public and private organizations. Catholic social organizations, for example, believed that national health insurance would lead to taxation of religious and charitable institutions.[74] Several alternatives had emerged of which all but one were means-tested. The non-means-tested proposal—the Flanders-Ives bill—provided a federal subsidy for the purchase of private health insurance. A health bill could have been passed in 1949, either the means-tested Hill-Aiken bill or the Flanders-Ives bill. One of the main reasons Truman failed to pursue any of these options was because of labor opposition. That labor leaders strongly opposed any means-tested bill is understandable, but they were opposed to Flanders-Ives as well. Even though it was a Republican bill, Flanders-Ives offered a real possibility for a system of universal health care. Labor's opposition to this bill had more to do with the gains unions were making at the bargaining table than any hostility to the Flanders-Ives approach.

Structurally, the advent of unionized welfare capitalism meant that the labor movement was divided between its role as an arm of the Democratic party and a loose federation of unions dedicated to pursuing their own interests. The CIO's success in unleashing collective bargaining over private social protection made local union officials the adminstrators and protectors of welfare fiefs whose fiduciary responsibilities were usually not conducive to militant political action. The creation of private welfare states in unions deepened the bureaucratization of union organizations that began during the war. Administering the contract was often more important than negotiating it; class struggle, one might say, was sublimated to bureaucratic struggle. Whatever the appeal of the idea that the labor movement represented all workers, whether organized into unions or not, it did not penetrate far below the national office. In union locals what mattered were the needs of the members, not any obligations to the unorganized.

Labor unions acted as both a force that served the interests of all workers—a "social democratic equivalent" as J. David Greenstone put it—and as interest groups.[75] This dichotomy defined both the potential and limits of union politics after 1950. On issues of union security or of manifest interest to union members, the AFL-CIO could move with alacrity and dedication. Medicare is a case in point. Unions were largely uninterested in national health insurance after the 1950s even though the AFL-CIO continued to support it, but they were vitally interested in health insurance for the elderly. Retired workers were not covered by private plans, and a universal public plan, although it obviously

[74] Monty Poen, *Harry S. Truman versus the Medical Lobby* (Columbia: University of Missouri Press, 1979), 162; Daniel M. Fox, *Health Policies, Health Politics* (Princeton: Princeton University Press, 1986), 156–57.

[75] Stanley Aronowitz, *Working Class Hero: A New Strategy for Labor* (New York: Pilgrim Press, 1983), 41–43, was perhaps the first to point this out.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

benefited many nonunion citizens, relieved union families of an enormous financial burden. Nelson Cruikshank believes that labor viewed Medicare as a substitute for national health insurance much as they viewed private, bargained health plans as a substitute.[76] However on many other issues—housing, civil rights, and the poverty program—national support and aspirations rarely translated into local enthusiasm. Throughout the 1950s, for example, housing reformers found they could depend on the support of labor elites in national campaigns, but individual unions were rarely seen when the battle shifted to cities and towns.[77]

A common lament of labor historians is that unions sacrificed both a capacity to control their fate and to resist the encroachments of employers on workers' rights. Unions were swaddled in high wages and private welfare states, but they gave up control of investment decisions and stifled worker insurgency on the shop room floor. Unions clearly paid a heavy price for the bargaining victories of the 1940s, but the key point is not that they tied their fate to business—all unions did, both in Europe and America. Even had unions been successful in acquiring some influence over investment, something not even European unions accomplished, they were not about to repeal the laws of capitalist development nor curb the ability of owners to invest their capital elsewhere. What mattered is that the labor movement lost the political capacity after the 1940s to erect the social infrastructure that would be needed to protect workers against economic dislocation. By virtue of the way they were organized into the American welfare state, many workers had no incentive to support broad, inclusive social policies. When the opportunity to enact such policies arose again during the 1960s, labor elites found themselves leading a Potemkin army.

If unions were responsible for the spread of private social protection, they were unable to prevent the erosion of this leg of the American welfare state as corporations shifted investments and jobs overseas. Private benefits have long since lost their attraction to corporate managers. Rather than an anti-union tool, these benefits are an impediment to corporate efficiency and an incentive to shed workers. The undoing of labor's gains in the 1980s, ironically, stems as much from labor's strengths as its weaknesses in the postwar era.*

[76] Nelson Cruikshank, Columbia University Oral History, 15.

[77] Richard O. Davies, *Housing Reform During the Truman Administration* (Columbia: University of Missouri Press, 1966), 124–128.

*Research for this study was supported by the University of California, Santa Cruz Academic Senate and a grant from the Harry S. Truman Library Institute.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Opinion:

Netanyahu, A Palestinian State, and Israeli Security Reassessed

JEROME SLATER

Nearly one hundred years ago the nationalist movement of the Jewish people—Zionism—was founded in Europe. The core principle of Zionism was that two thousand years of European anti-Semitism left the Jews with no other choice but to found a state of their own, within which they could survive and build normal lives, free at last from the murderous rampages that had periodically decimated Jewish communities throughout Europe.

Given this history, perhaps no other nationalist movement in history has had a stronger claim to a state of its own. The problem, though, was that there was no obvious place to build such a state—no land, that is, large enough to accommodate a state, but yet not already claimed and inhabited by another people. Perhaps if the Zionist movement had been open-minded about the location of the prospective state, some solution might have been found. After a brief period in which the Zionist leadership was prepared to consider any reasonable location, however, it dropped its flexibility and insisted that only the land of ancient Palestine would do.

Therein lies the tragedy that has led to seventy-five years of terrorism and war between the Jews and the Palestinians—and which, if an overall settlement is not reached, could escalate into far greater violence than anything in the past. As powerful as was the Zionist claim for a Jewish state, its claim to Palestine

JEROME SLATER is professor of political science at the State University of New York, Buffalo. He is the author of a number of articles on the Arab-Israeli conflict and is working on a book on American policy toward the conflict from 1948 to the present.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

as the only acceptable location for that state was startlingly weak. True, Palestine had been the original Biblical homeland of the Jews before the Romans had expelled them two thousand years earlier. But it hardly follows that this history gave the Jews a strong claim to this land in perpetuity, especially in light of the facts that both Islam and Christianity also had strong ties to Palestine and—much more importantly—that for 1,300 consecutive years the area had been largely inhabited by Arabs.

To be sure, the Zionists also had something of a contemporary claim to Palestine, thanks to the British promise in the Balfour Declaration of 1917 to work for the establishment of a Jewish "homeland"—not a state—in Palestine, and the subsequent incorporation of this promise into a League of Nations mandate. But colonial impositions, even if backed by the major imperial powers who dominated the League, have little moral standing: Palestine was not for the British to dispose of, simply because they had gained control of it in World War I as a result of the defeat of the Ottoman Empire, the previous colonial occupiers.

The most salient moral and political fact was simply this: the overwhelming majority of the indigenous inhabitants of Palestine were unwilling to make way for the establishment of a Jewish state in their homeland. Unable to prevent the British and the Zionists from proceeding with policies that threatened their political rights, and perhaps their land, they chose to resist. The initial Arab resistance was primarily nonviolent; only when political efforts failed did they turn to violence. However tragic the results, it should be clearly recognized that it was the British/Zionist policies that forced the Palestinians to choose between violence or the loss of their rights.

In the Jewish-Palestinian conflict that broke out in the 1920s and has continued until today, it is the Palestinians who have been not merely the losers, but the victims. Over a million of them have lost their land, villages, and homes during the course of the conflict; and they have become dispossessed, stateless, occupied, politically repressed, and impoverished refugees.

Even so, despite this tragic (and, by the Israelis, largely unacknowledged) history, once large numbers of Jews had immigrated into Palestine, once the Holocaust had demonstrated the continuing problem of savage anti-Semitism and Western indifference to it, and once—above all—the Jewish state of Israel was established in 1948, a new moral as well as political reality emerged. The Palestinian-Israeli conflict was no longer a clash of right and wrong, no longer a conflict between the rights of an indigenous people vs. the unimpressive "rights" derived from a self-interested reading of ancient Biblical history or contemporary colonialism, however well-intentioned. Now it became a clash of two genuine rights: the rights of the Palestinians to dignity, self-rule, and political sovereignty in their own land versus the rights of the Israelis to survival and a normal, secure life within their state—however that state had originally emerged.

There is no mystery about how such a clash of two rights must be reconciled. From early in the conflict the solution has been obvious to the British, to

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

the United Nations, to nearly every objective outside observer, and lately to most of the Palestinians and a growing proportion of Israelis: partition. The only settlement that would be both fair and have any realistic chance of ending the conflict is the division of the ancient land of Palestine between the Jews and the Palestinian Arabs, between the Jewish state of Israel and an Arab state of Palestine.

By the late 1980s the Palestinian leadership under Yasir Arafat and the Palestine Liberation Organization (PLO) had officially accepted such a two-state compromise solution. In the last few years the Israeli Labor governments of Yitzhak Rabin and Shimon Peres had slowly, reluctantly, but inexorably moved in that direction as well. During the fall of 1995, secret negotiations between Peres government officials and the Arafat-led Palestinian authority reached an agreement in principle, under which a demilitarized Palestinian state would be established in most of the West Bank and Gaza, with its capital to be either in or near Arab East Jerusalem.[1] While much of the details remained to be negotiated, on the eve of the May 1996 elections the Labor party began the process of preparing the Israeli public, adopting an election platform that for the first time made it explicit that an independent Palestinian state was a possible outcome of the peace process.

Thus, though there had been many setbacks on the road to peace, especially the fanatical Palestinian terrorist attacks on Jewish buses and the Israeli invasion of southern Lebanon in early 1996, for the first time in seventy-five years there were strong grounds for optimism that the conflict was on the road to settlement. However, the election of the Likud government under Benjamin Netanyahu threatens to stalemate the overall peace process and lead to an escalating cycle of violence, perhaps even war. Given the Likud's religious-nationalist ideology and its past history, as well as Netanyahu's own public record, there was good reason for concern even before the new government took office. Today there is even more reason for concern (despite the agreement on the relatively minor matter of a partial Israeli withdrawal from Hebron), as a result of a number of Netanyahu government actions, especially continued Israeli settlement expansion in or near the formerly Arab sections of East Jerusalem.

Should the current stalemate in the peace process continue, there will probably be a new season of violence and terrorism in the Palestinian-Israeli conflict. The recent terrorist bombings may well escalate with or without a green light from Arafat; they are clearly intended to demonstrate to the Israeli electorate that it was badly deluded in its apparent belief that the way to control terrorism and increase Israeli security—personal and national—was to turn the government over to the Likud.

If Palestinian terrorism escalates, it is likely that the Netanyahu government will respond by effectively ending the peace process and instituting un-

[1] There have been a number of reports on these negotiations. The most detailed is "A Would-Be Palestinian Pact; Rabin Aide Discloses Details," *New York Times*, 1 August 1996.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

precedented repression against the Palestinians. In turn, this will almost certainly lead to a resumption of the intifada in the occupied territories—but this time with guns and bombs and perhaps with greatly expanded outside Arab support. And should that occur, Israel might reoccupy Gaza and end all withdrawals from the West Bank; and it might even seek to expel large numbers of Palestinians into neighboring Arab states.

In that event, there would be a real danger that the neighboring Arab states, however reluctantly, would be drawn into the conflict, ending in another Arab-Israeli state war. Alternatively, if the moderate governments in Egypt and Jordan sought to stand clear of escalating Israeli-Palestinian violence,[2] they would surely face increasingly militant fundamentalist opposition at home. At least in the case of Egypt, a growth of fundamentalism could eventually jeopardize the government itself, already under heavy pressure in part because of its pro-Western stance and moderate position vis-à-vis Israel.

At some point in this threatened process of escalating violence it is likely that an increasing proportion of the Israeli public will realize that it has made a catastrophic mistake, and once again the question of a Palestinian state will be on the agenda. Indeed, there are indications that this is already occurring. Once again there is serious debate in Israel and, because of the de facto U.S. alliance with Israel, in the American government as well, on whether a Palestinian state would truly threaten Israeli security.[3] My analysis is intended to contribute to that debate.

For both moral and practical reasons, Israel should allow the creation of a genuine, independent Palestinian state with East Jerusalem as its capital, so long as such a state does not threaten the rights and security of Israel or other states in the region. Because, however, the Israelis are largely blind to the clear historical injustice suffered by the Palestinians—sad to behold in a nation initially dedicated to serving as "a light unto others"—the moral argument is not likely to have a major effect on Israeli policy. Any argument for a Palestinian state that is to have some chance of success, therefore, must be couched primarily in terms of Israeli self-interest. And so, the central argument here is that the creation of a genuinely independent though constrained Palestinian state would enhance rather than threaten Israeli security in every important respect.

What Are the Issues?

The creation of a Palestinian state would raise issues for Israel other than security, notably those of ideology and control over scarce water resources. Fortu-

[2] It is by no means certain that Egypt would even try to stand clear, for Mubarak has been increasingly warning Israel not to count on Egyptian passivity in the event of the breakdown of the peace process. For example: "Israel will be making the greatest mistake in its history if it lets things deteriorate into a new war, because we won't sit with our arms folded and the situation will become very dangerous." (*Jerusalem Report*, 12 December 1996.)

[3] For example, several recent polls have found that about 50 percent of the Israeli public will agree to the creation of a Palestinian state, provided that acceptable security arrangements can be made. (*Jerusalem Report*, 1 May 1997.)

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

nately, these issues have considerably diminished in significance in the past few years. A decade ago perhaps as many as 40 percent of the Israeli population for religious or nationalist reasons rigidly rejected the principle of Israeli withdrawal from any part of "Greater Israel," including the West Bank ("Judea and Samaria"). Today it is estimated that no more than 10 or 15 percent hold to this position.

The 1996 elections apparently did not alter the overall division in the Israeli public on security issues. For some time now, Israelis have been divided into three general camps: the relatively small minority of Greater Israel "ideological hawks," and two roughly equal groups of "security doves" and "security hawks." The security doves, who voted for Peres, are already convinced that there must be a compromise with the Palestinians involving significant Israeli concessions, including the creation of an independent Palestinian state.

The security hawks are the swing vote in Israeli elections. In 1996 they broke largely for Netanyahu. Unlike the hardline religious and/or nationalist camp, the security hawks oppose a Palestinian state on pragmatic rather than ideological grounds, and therefore in any future election or referendum they might be persuaded by both argumentation and bitter experience that a Palestinian state is not an obstacle to but, on the contrary, the sine qua non for true Israeli long-term security.

Jerusalem and Water

On its face, the problem of Jerusalem, as opposed to the rest of the West Bank, appears to be intractable, even though—or perhaps precisely because—it has nothing to do with security but is only symbolic. Ideology, religion, and nationalism combine to make it difficult to imagine either Israel or a future Palestinian government agreeing to give up its claims to sovereignty over Jerusalem. Yet, before the recent elections there was an emerging consensus among analysts and intellectuals on both sides that some kind of dual or shared sovereignty arrangement must emerge: an undivided Jerusalem would be the capital of both states, with Israeli government institutions located in West Jerusalem, the Palestinian ones in East Jerusalem.[4]

The process of preparing the Israeli and Palestinian publics for the necessity of this kind of solution had only just begun before the 1996 elections and has now been shelved. Even so, there is reason for cautious optimism that, once all the other problems of creating a Palestinian state are settled, the Jerusalem issue can be resolved or bypassed by a creatively ambiguous diplomatic compromise, perhaps along the lines of the October 1995 secret negotiations between the Peres government and Palestinian authority officials, which provided for

[4] There has been a burst of scholarship in recent years on ways in which the Jerusalem issue can be resolved. For one of the more important and persuasive arguments, see Ian Lustick, "The Fetish of Jerusalem: A Hegemonic Analysis" in Michael N. Barnett, ed., *Israel in Comparative Perspective* (Albany, NY: State University Press of New York, 1996).

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

a Palestinian state capital in a nearby suburb of East Jerusalem. Remarkably, despite—or perhaps because of—the Palestinian terrorist attacks, recent Israeli public opinion polls show that for the first time a majority of Israeli Jews would be willing to grant the Palestinians some kind of sovereignty over parts of East Jerusalem.[5]

Similarly, the water issue is important but manageable. Without assurances of adequate water supplies, Israel would be extremely unlikely to withdraw from the West Bank, the source of 30–40 percent of its present water. The problem is simply one of economics, not of literal scarcity. A number of technical studies have demonstrated that both Israel and the Palestinians can solve their water problem by sharing existing resources while simultaneously greatly increasing the supply by desalinizing sea water and importing fresh water by tankers and pipelines. The model for a future Israeli-Palestinian agreement might be the Israeli-Jordanian peace agreement of 1995, under which both countries agreed to share waters from the Sea of Galilee while working together to create new sources of fresh water. In any case, a 1996 study of the Israeli Environment Ministry concluded that within a few decades Israel will have to increasingly depend on desalinization for its drinking water—in effect even if it permanently occupied the West Bank and retained its water sources exclusively for Israeli use.[6]

Any solution for the water problem will increase the price of water, but only by a surprisingly low amount. Recent studies have concluded that for a mere $110 million annually—a tiny fraction of the amount currently spent on arms by Israel—Israel and other regional countries could increase the supply of fresh water to match the demand for it.[7] Even if this estimate proves to be too low, it is clear that the price for sufficient water for both Israel and the Palestinians will be quite affordable, indeed trivial, compared to the costs of not settling the conflict.

Security

The typical argument of Israeli analysts favoring the creation of a Palestinian state is that such a solution is the necessary price for peace. In their view, there would be a trade-off: in some respects a Palestinian state would complicate and potentially threaten Israeli security, but on balance and over the longer run there is no choice but to take the risks or pay the price in order to reach a stable peace with the Palestinians and the Arab world as a whole.

In my judgment, however, this argument is misleading, and the conclusion is unnecessarily weak. Far from requiring a "price" to be paid, at least in terms of security, an appropriately structured, limited Palestinian state would greatly enhance Israeli security against the three most important potential threats: ter-

[5] Chemi Shalev, "Living with Terrorism—and Hope," *New York Times*, 1 August 1997.

[6] *Jerusalem Report*, 5 September 1996.

[7] Peter Passell, "Economic Scene—In the Middle East," *New York Times*, 24 August 1995.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

rorism, future Palestinian irredentism, or an attack by one or more powerful Arab states in alliance with Palestine.

Terrorism

Israel has had to live with what I shall call conventional terrorism since the early years of the Zionist enterprise in Palestine in the 1920s. Terrible as it has been, this kind of terrorism in no way threatens Israeli national security, as distinct from the personal security of the Israeli victims. Despite the carnage of the fundamentalist suicide bombings of 1994–1996, the odds of any individual Israeli becoming the victim of terrorism—as opposed, say, to dying in Arab-Israeli wars or even in traffic accidents—have been minute.

This is not to minimize the horrors of terrorism, but rather to place them in perspective. But in any case, the crucial point is that the establishment of a Palestinian state would greatly reduce the incentive for continued terrorism, most of which has been intended to force Israel out of the occupied territories. To be sure, the purpose of the fundamentalist terrorism since 1993 goes beyond that, for it has been designed to destroy the peace process and ultimately Israel itself. Faced with that kind of murderous fanaticism, Israel and its new-found allies in the PLO have no choice but to crush it. Following the suicide bombings of March 1996, the Palestinian Authority decided to closely cooperate with Israeli security forces to end the terrorism. The absence of any suicide bombings in the next year—until the Arafat-Netanyahu break in March 1997, following the Israeli government's decision to build new Jewish housing in East Jerusalem—demonstrates the crucial importance of such joint efforts. A breakdown of the peace process is likely both to increase the support for the fundamentalists within overall Palestinian opinion and diminish the incentives of the Palestinian Authority to control them.

Even with a political settlement, however, it is unlikely that every suicidal fanatic can be indefinitely stopped, so Israel will probably have to continue to live with some level of conventional terrorism. What does threaten Israeli national security is the possibility that terrorists may come into possession of nuclear, chemical, or biological weapons of mass destruction. This prospect is rarely publicly discussed in Israel, which is understandable but futile and even dangerous: minimizing the risk of catastrophe makes it improbable that the necessary steps will be taken to reduce its likelihood.[8] Given the increasing availability of weapons of mass destruction, Israel has no rational choice but to assume that it is only a matter of time before its enemies acquire them. At that point, Israel's main hope of averting an unthinkable catastrophe will have to rest on deterrence—that is, the threat, explicit or simply existential, of retaliation in kind.

[8] In one of the few exceptions, three years ago the *Jerusalem Report*, 23 February 1994, gingerly noted the concern that Islamic extremists might get a nuclear weapon from Russia and detonate it in Tel Aviv.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

But to whom will the deterrent threat be addressed? At present, deterrence is undercut by the very homelessness of the Palestinian people and the absence of a state that may be held responsible for nuclear terrorism. As a hostage to Israeli retaliation, however, a Palestinian state would give the Palestinian people an overwhelming self-interest in eliminating the fanatics. Continued terrorism, if conventional, would ultimately lead to Israeli reoccupation of the West Bank and Gaza, putting an end to the Palestinian state. Nuclear or other forms of mass destruction terrorism would invite Israeli retaliation in kind; at the least, the Palestinian government would certainly have to make that assumption, and it would therefore go to great lengths to avoid a catastrophe that would put at risk not merely the state but the Palestinian people.

Palestinian Irredentism

Israelis have long been concerned that a limited state in the West Bank and Gaza might become the base for a later Palestinian drive to regain all of Palestine, either because the PLO has all along secretly held to its original goal or, more likely, because it is replaced by a fundamentalist regime. It is certainly the case that no settlement of the long and bitter Palestinian-Israeli conflict can be based simply on trust or on optimistic assessments of the future intentions of a Palestinian state. Rather, the task is to ensure that a Palestinian state can never have the capability of threatening Israel, regardless of who is in power.

For a number of reasons, this should not be a difficult task. To begin with, Arafat and other PLO leaders have repeatedly said that they accept that any independent Palestinian state will have to agree to a number of restrictions designed to ensure that it does not pose a security threat to Israel—and, for that matter, to its other neighbors, particularly Jordan:

- The new state would be required to officially and formally renounce any claims on Israel or Jordan, accept the new borders as permanent, and refrain from joining any military alliances directed at any of its neighbors.
- The Palestinian state would be an essentially demilitarized one, allowed only a police force or a small, lightly armed military force whose primary purpose will be the maintenance of internal order.
- The state could be required to accept a substantial international peacekeeping force on its borders or even within them, to observe and enforce the arms limitations and to deter external invasion. Such a force could have real teeth, even if nominally under UN auspices, if it included American forces.
- Finally, Israel itself will insist on and will probably have to be granted the right to retain military forces in unpopulated areas of the West Bank, especially early warning radar, electronic, and observation outposts in the strategically most important areas, especially the Jordan River valley and along the mountain ridges that overlook it.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Important as these constraints would be, even more important are the immutable geographic, military, and economic realities: a Palestinian state would be one of the weakest and most vulnerable states in the world, scarcely in a position to defend its own security, let alone to expand. Any Palestinian attack against Israel would be suicidal madness, doomed not merely to total defeat but almost certainly ending with the reoccupation of the West Bank and an end to the Palestinian state.

The Israelis typically cite geography as the basis of their security concerns—the West Bank abuts Jerusalem and is only fifteen miles from Tel Aviv and other population centers along the Mediterranean. In fact, geography works in favor of Israel: a Palestinian state would be divided in two by Israel and surrounded on three sides by it. Moreover, a Palestinian attack on Israel would pit a tiny state with one of the world's weakest military forces against one of the world's most powerful ones—fighting for its survival. Israel today has a mobilizable army of nearly 600,000 men and women, many thousands of planes, tanks, and artillery pieces, short and intermediate-range ballistic missiles, and nuclear weapons. The demilitarized Palestinian state would have a tiny army, no planes, few if any tanks and artillery pieces, and, of course no ballistic missiles or nuclear weapons. Any attempt to even acquire advanced weapons, let alone employ them against Israel, would be immediately detected and would constitute a casus belli, following which Israel would overrun the state in a matter of hours.

Moreover, Israel would hardly be alone in opposing Palestinian irredentism. Not only would the Palestinians have to contend with the United States and other members of the international community and, possibly, peacekeeping forces, but the neighboring Arab states would all vigorously oppose any effort by the Palestinians to disrupt the status quo. With the Palestinians comprising over 60 percent of the population of Jordan, King Hussein and his largely-Bedouin army have their own vital reasons to control Palestinian radicalism, and they have successfully done so in the past. Egypt also has an enormous stake in maintaining its peace settlement with Israel and on several occasions has demonstrated its unwillingness to be drawn into war on behalf of the Palestinians. Saudi Arabia, which will surely be asked to provide capital to help subsidize and develop a Palestinian economy, has no interest in promoting a new focal point of radicalism in the Middle East, especially if a peace settlement included some form of Islamic rule over or administration of East Jerusalem.

Syria is the key external state. Even in the absence of an Israeli-Syrian peace agreement, Damascus has prevented Palestinian raids on Israel from its territory since the mid-1970s, thus demonstrating that it too has no interest in a war with Israel on behalf of the Palestinians. Evidence revealed in late 1996 indicates that prior to the 1996 elections, Israel and Syria were close to a formal peace agreement, based on Israeli return of a demilitarized Golan Heights to Syria in return for peace. Moreover, such a settlement would almost certainly be accompanied by an agreement to end the continued violence in southern

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Lebanon, which sometimes spills over into northern Israel. Israel would agree to withdraw its forces from southern Lebanon and refrain from further military intervention there, so long as the fundamentalists agreed to end attacks across the border, and the Syrians would agree to use their dominant political and military leverage in Lebanon to enforce the agreement. Both the Syrians and the Lebanese governments have indicated that they would move to effectively end the violence in the context of an overall agreement—but not without one.

Sooner or later this kind of Israeli-Syrian-Lebanese agreement will be on the peace-process agenda. If a deal is reached, the Syrians will have no incentive to destabilize an Israeli-Palestinian settlement or allow the fundamentalists to undermine it—and no one doubts the effectiveness of Hafez al-Assad's control, once he has an incentive to exert it.

In sum, the creation of an appropriately constrained Palestinian state would greatly enhance Israeli security. It would substantially reduce Palestinian incentives to continue the struggle against Israel, while adding little to its capabilities of doing so. The existence of the state would serve as a hostage against irredentism, for the Palestinians would now have a powerful interest in avoiding provocations to Israel that could result in massive retaliation or even the reoccupation of the West Bank and Gaza and a permanent end to the Palestinian state.

An Arab Coalition Attack

Most Israeli defense analysts are much less concerned with the potential threat posed by a Palestinian state per se than they are with the possibility that such a state could be seized by a powerful Arab state (for example, Iraq or Syria) or coalition of states and then used as a base to invade Israel. However remote this is today, security analysts must plan against such worst-case scenarios. The present moderate governments in Syria and Jordan might be replaced by fundamentalist fanatics, or the United States might one day withdraw its military forces from the Gulf region and end its dual-containment policy vis-à-vis Iraq and Iran. But even so, a properly structured Israeli withdrawal from the West Bank and the creation of a Palestinian state would diminish rather than increase the risks of an overwhelming Arab attack from the east.

First, an Israeli-Palestinian settlement would change Arab perceptions of Israel and make an attack much less likely. Few Arab states will agree to the permanent Israeli occupation of Jerusalem and much of the West Bank and the continued suppression of Palestinian nationalism, but even fewer would be prepared to continue the struggle against Israel if the Palestinian issue were resolved.

Second, the Palestinian state would have an overwhelming vested interest in regional peace and stability and every incentive to oppose rather than support Arab rejectionism: it is not lost on the Palestinians that the survival of their state would depend on its not posing a threat to anyone. Indeed, if Palestine

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

were to become the springboard for an all-out war against Israel, it would not merely be the "state" but its inhabitants who would not survive, for the West Bank would surely become the battlefield on which perhaps the technologically most destructive war in history would be fought.

Third, an Israeli withdrawal from the West Bank and the emergence of a Palestinian state would change Israel's political but not its security borders, a distinction first proposed by Israeli Prime Minister Levi Eshkol after the 1967 war and in effect embodied in the Israeli-Egyptian peace settlement of 1979 and the Israeli-Jordanian treaty of 1995. Israel's western political boundary is the Sinai peninsula, but its western security boundary is the Suez Canal: the entire Sinai, though under Egyptian sovereignty and administration, must remain largely demilitarized and garrisoned with international/American peacekeeping forces. And the ultimate guarantee against major violations of these restrictions is the known capability of Israel to reoccupy the Sinai.

Similarly, Israel's eastern political boundaries at present are the Golan Heights, the Jordan River, and the Israeli-Jordanian border from the Dead Sea south to Eilat. Its eastern security boundary, however, is the Jordanian border with Iraq, an existential fact that is widely understood in the Middle East and which undoubtedly played an important role in constraining Saddam Hussein from moving troops toward the Jordanian border in the 1990 Gulf War. This reality has now been formally recognized in the Israeli-Jordanian treaty, which explicitly recognizes Israeli's right of military response in the event Arab armies cross into Jordanian territory.[9]

These precedents provide the model for an Israeli withdrawal from both the Golan Heights and the West Bank, for regardless of the change in sovereignty, Israel's security boundaries would remain unchanged. Any larger-scale movement of Syrian troops toward the Golan; Jordanian troops toward the West Bank; or Iraqi, Iranian, or Syrian troops toward Jordan would trigger an overwhelming Israeli military response.

A formal U.S.–Israeli defense alliance would further enhance deterrence against an Arab attack, especially if given added credibility by the stationing of U.S. troops, either unilaterally or as the central component of an international peacekeeping force stationed in the West Bank or even inside Israel—much as the U.S. commitments to defend Berlin and South Korea were made credible by the stationing of ground combat troops there.

To be sure, there would be considerable political opposition in both Israel and the United States to any permanent U.S. ground combat presence in the West Bank, Gaza, or the Golan Heights. The Israelis have always been of two minds about this idea: many favor it because of the increased deterrence against an Arab attack that it would bring, while others are opposed because they fear

[9] For a discussion of the security provisions of the 1994 Israel-Jordan peace agreement, including Israel's right of military response in the event Arab armies enter Jordan, see *Jerusalem Report*, 11 August 1994.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

excessive dependence on the United States and want to preserve an unconstrained Israeli freedom of military action in the area.

However, in the event that a future Israeli government decides that the trade-offs—more security, less unilateral freedom of action—are worth it, it is likely that Congress and American public opinion would go along. Much of the present congressional opposition to preliminary contingency planning for U.S. troops on the Golan has simply been a reflection of the opposition of the Israeli right wing to any steps that would facilitate a return of the Golan to Syria. It would be a different matter if there proved to be positive Israeli support for an increased American military commitment to stabilize a new status quo along Israel's borders.

In that event, the American government would surely emphasize that a formal Israeli-American defense alliance would not constitute a radical new commitment for the United States, for it would merely formalize what has been a de facto commitment since the 1950s. It is well established that most American presidents since Dwight Eisenhower have privately offered to strengthen and formalize the U.S. commitment if Israel would make the territorial and other concessions necessary to bring about a comprehensive Arab-Israeli peace settlement. Even in the absence of such a settlement, American soldiers manning Patriot batteries helped defend Israel in the Gulf War. Thus, there is every reason to expect that in the context of a comprehensive Arab-Israeli peace, formalizing the American military commitment to Israel would receive the necessary political support in Congress and from the American public.

In any case, the argument that Israeli security would be enhanced by its withdrawal from most of the territories conquered in 1967 by no means stands or falls on whether or not there is political support in Israel and the United States for a formal defense alliance, with or without the stationing of U.S. forces in the area. While such an alliance would provide additional deterrence against war, by far the most important factor in Israeli security would be, as now, its own enormously powerful military forces. In short, in no sense would Israel be "relying" on international or even American guarantees, peacekeeping units, or armed forces. All of these would be a net addition to, rather than a substitute for, Israel's own deterrence and war-fighting capabilities.

It ought to go without saying that the most crucial component in Israel's ability to deter—or, if necessary, defeat—an all-out Arab attack is its overwhelming nuclear capability, now estimated to comprise several hundred warheads and to include tactical nuclear weapons designed for battlefield use as well as strategic weapons for deterrence or retaliation. But it does need saying, for as a consequence of the Israeli government's unwillingness to acknowledge its nuclear capability, Israeli security analysts feel required to ignore reality and limit their discussion (in public, at any rate) to conventional deterrence of the Arab threat. The rather bizarre consequence is that many of the most prestigious and important Israeli defense analyses are quite misleading, for they all but ignore the single most critical variable in any realistic assessment of Israel's

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

security problems. It is as if Western assessments of the ability of NATO to deter a Soviet attack on Western Europe during the cold war had ignored the role of nuclear weapons.

Fortunately, Israeli nuclear silence or coyness has not prevented Arab political and military leaders from drawing the appropriate conclusions about the risks of war with Israel. It is well established that from the late 1960s onward Nasser and Sadat in Egypt and Assad in Syria were deterred from initiating major war against Israel by fear of nuclear retaliation. In the 1973 Yom Kippur War, neither Egypt nor Syria had plans to attack Israel within its pre-1967 borders, and there is no reason to think that Arab states would be less deterred by the far more powerful Israeli nuclear forces of today. For example, retired General Ori Orr, one of Israel's leading security experts and a key member of the Knesset, has argued that Israel does not need to retain the Golan Heights to deter a Syrian attack. In a clear allusion to Israel's capacity to destroy Syria, Orr asks: "Why doesn't Assad make war today, if he has such a preponderance of ground forces? Because he knows what would happen. And the same holds true whether we are on the Golan or not."[10]

Israel's nuclear deterrent will not be significantly undercut, even if the Arab states eventually gain possession of nuclear or other weapons of mass destruction. The consequences of the arrival of MAD (mutual assured destruction) in the Middle East are likely to be mutual deterrence—and not only of nuclear attacks but also of large-scale conventional aggression, just as was the case in Europe during the superpower nuclear standoff of the cold war. Any minimally rational Arab leader must assume that if Israel faced imminent destruction by invading Arab armies it would not shrink from using its nuclear weapons, regardless of whether it faced retaliation in kind; rather, in Samson-like fashion it would pull the walls down around its enemies as well as itself. Nor is the Samson myth the only one that predicts Israeli behavior. Even more important is Masada—suicide over surrender or defeat. But above all, nothing could be more central to the Israeli identity than the Holocaust and its most crucial imperative: Never Again.

Conclusion

For a number of reasons, the creation of a limited Palestinian state would enhance Israel's security rather than endanger it. First, the withdrawal of Israel from the West Bank (as well as from the Golan Heights) and the fulfillment of the Palestinian demand for self-determination would largely remove the two most important causes of general Arab hostility to Israel: its occupation of Arab lands and its suppression of Palestinian nationalism. Second, the creation of a Palestinian state would give the Palestinians a vested interest in peace and therefore a reason to oppose rather than support further Arab rejectionism; far

[10] *Jerusalem Report*, 29 June 1995.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

from posing a threat to Israel, a Palestinian state would be a force for as well as a hostage to peace. Finally, a comprehensive settlement of the Arab-Israeli conflict would solidify Israel's alliance with the United States and enormously increase its support in the rest of the world.

National security is relative, not absolute, and it is far more a function of the overall state of relations between states than it is of the raw military balance of power among them. Canada, for example, does not worry about threats to its national security from the United States. Israeli security analyses have tended to focus excessively on Arab military capabilities while slighting what Israel could do to improve its relations with its neighbors. Similarly, there has been a tendency to spin out worst-case scenarios that run only in one direction, exaggerating the potential risks of change while downplaying the already existing costs and risks of attempting to preserve the status quo.

Compare, for example, two worst-case scenarios. In the first, Israel withdraws from the West Bank and allows the creation of a small, demilitarized Palestinian state in the context of international and U.S. guarantees for peace, perhaps including the stationing of international and American peacekeeping forces along the Israeli-Palestinian borders, the negotiation of a formal American defense alliance with Israel, and even the stationing of U.S. troops inside Israel. Under these circumstances, how great is the likelihood that the Palestinian state would be used as a base for an all-out attack on Israel, either by the Palestinians themselves or by an Arab war coalition? To begin with, preparations for such an attack would be quickly detected, and Israeli forces would reoccupy the West Bank within a matter of hours, well before Arab armies arrived there. Moreover, an attack would constitute an act of war not only against Israel but in a sense against the United States and the international community, especially if the invaders had to overrun substantial international or American military forces. If these factors alone are insufficient to deter a major attack, potential invaders are not likely to forget that overrunning international or American forces would be the mere preliminary round, prior to coming up against the fully mobilized armed forces of Israel, considered to be among the best in the world, armed with nuclear weapons, fighting to defend the very survival of the state, and undoubtedly carrying the battle from its outset to the armed forces, territory, and perhaps even population centers of its attackers.

On the other hand, consider an alternative and unfortunately more plausible worst-case scenario—the early signs of which may already be emerging—if the Netanyahu government refuses to negotiate a fair and reasonable compromise settlement with the Palestinians:

- Fundamentalist terrorism resumes, with substantial support among the Palestinian general population.
- Israeli economic and military retaliation creates widespread desperation in the West Bank and Gaza, resulting in the eclipse of Arafat and the PLO by Hamas and other Palestinian fundamentalists.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

- The cycle of violence and counterviolence escalates until Israel, believing it has run out of options, decides to reoccupy all of Gaza and the West Bank and crush the terrorists.
- The intifada resumes in the occupied territories, this time not with stones but with guns and bombs; Israel responds with unprecedented repression, perhaps including the expulsion of large numbers of Palestinians into neighboring Arab states.
- An inflamed Arab world greatly increases its support of the new intifada or, worse, moderate governments that try to stand clear are overthrown and replaced by extremists in Syria, Egypt, and Jordan.
- Finally, in these circumstances, general war in the Mideast could not be ruled out, and such a war would be far more destructive than any previous Arab-Israeli war; even the unthinkable—nuclear war—could not be excluded.

In my judgment, the second scenario is considerably more likely than the first. And if that is persuasive, then it must follow that far from constituting a potential threat, a Palestinian state is the sine qua non of true Israeli security.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

BLACKWELL JOURNALS

Development and Change

Edited by Professor Martin Doornbos, Ashwani Saith and Ben White

Development and Change has established itself as one of the leading journals in the field of development studies. It provides sound analyses of structural transformation, examining the origins, nature and impact of intervention strategies. It elicits response and discussion with the objective of producing informed policy debate.

ORDER FORM **Development and Change**

Subscription Rates, Volume 28/1997 ISSN 0012-155X

Published in: January, April, July and October

Institutional Rates, £129.00 (UK-Europe), $204.00 (N. America), £129.00 (Rest of World)

Personal Rates, £44.00 (UK-Europe), $70.00 (N. America), £44.00 (Rest of World)

Developing World Institutions, £60.00 (UK-Europe), £60.00 (Rest of World)

Developing World Individuals, £29.00 (UK-Europe), £29.00 (Rest of World)

Indian Institutions £23.00, Indian Individuals £11.50

- ❑ Please enter my subscription/send me a sample copy
- ❑ I enclose a cheque/money order payable to Blackwell Publishers
- ❑ Please charge my American Express/Diners Club/Mastercard/Visa account

Card Number..... Expiry Date.....

Signature..... Date.....

Name.....

Address.....

..... Postcode.....

Payment must accompany orders

Please return this form to:
Journals Marketing, Blackwell Publishers, 108 Cowley Road, Oxford, OX4 1JF, UK.
Or to: Journals Marketing, DECH, Blackwell Publishers, 350 Main Street, Malden, MA 02148, USA.

Internet BLACKWELL Publishers
For full details about all our journals, books and services log on to:
http://www.blackwellpublishers.co.uk

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Book Reviews

Dismantling Desegregation: The Quiet Reversal of Brown v. Board of Education *by Gary Orfield, Susan E. Eaton, and the Harvard Project on School Desegregation. New York, The New Press, 1996. 424 pp. $30.00.*

The authors argue that court decisions and other policies over the past twenty years have reversed any momentum toward desegregation provided by the 1954 decision in *Brown v. Board of Education*. At 424 pages, it is a lengthy argument, but a compelling one, as the authors leave few stones unturned. As the country's leading authority on racial segregation, Gary Orfield, with his colleagues, presents a tour de force of reasoning about what has worked and what has not, and why our society has retreated from desegregation policies. The authors also stress the case for more desegregation; Gary Orfield writes that it is not some "magic" of sitting next to white children in classes that leads to improved outcomes for minority children, but the opportunity to be part of this country's mainstream educational channels.

After a few introductory chapters, the book presents a series of inner-city and suburban case studies of different areas where the retreat from desegregation has been prominent. These case studies address circumstances in Prince George and Montgomery counties outside Washington, DC, Charlotte, Kansas City, Norfolk, Austin, Detroit, and Little Rock. In each case, initial pushes toward desegregation have been derailed by a variety of forces.

Although it reads more as argument than a more balanced piece of social science research, that is clearly the authors' intention and the correct one, given the important point they want to make. They go well beyond the historical analysis of school segregation and desegregation. They examine the related role of policies causing housing segregation, which has implications for metropolitan-level policies that need to be pursued to break down segregation based upon the city/suburb racial divide. The authors note that higher birthrates among minority groups, and ongoing neighborhood and metropolitan changes have exacerbated past segregation patterns, especially in the absence of any governmental policy changes to reduce segregation. Relatedly, they note that desegregation remedies have generally been limited to black/white issues, when in fact, issues related to Hispanic children are as or more important in many cities today.

As a result of the reversals chronicled here, today even groups like the NAACP have expressed second thoughts about whether an emphasis on improving what are essentially segregated schools isn't preferable to continuing to use resources on unsuccessful efforts toward desegregation. Gary Orfield and colleagues disagree and argue that policies to im-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

prove education through means other than desegregation, such as magnet schools, school-based management, and greater school discipline, largely have not succeeded.

Though clearly not its main intention, the book also makes important points about the role of the courts in facilitating social change, a topic that Gerry Rosenberg and others have re-opened. The authors note that except for a brief period in the mid-1960s, American legislatures have not pushed for school desegregation. When the courts actively did so, some advances were made; but when the courts began to reverse directions, we have had less desegregation activity.

The authors present evidence suggesting that polls show continuing American public support for desegregation. They illustrate how a determined minority of citizens have opposed this policy, and have been aided by court decisions and the need for activist policies that have not been forthcoming to overcome market and demographic trends causing greater segregation. If recent trends from the reversal of affirmative action recruitment in higher education in Texas and California have not already done so, the authors' work should shake and perhaps even shock complacent moderates and liberals who may believe that *Brown* and subsequent actions actually moved our society toward achieving greater desegregation. Gary Orfield et al. show that nothing could be further from the truth.

PAUL TESKE
State University of New York–Stony Brook

Taking the Initiative: Leadership Agendas in Congress and the "Contract with America" *by John B. Bader. Washington, DC, Georgetown University Press, 1996. 304 pp. Cloth, $49.95; paper, $19.95.*

Years from now political scientists, journalists, and historians will look back on the 104th Congress and wonder just how unique it was. Some will conclude that the Republican agenda was a radical departure from the past. Others will conclude that is was really business as usual. Before reaching these conclusions, though, interested parties would do well to begin by reading John Bader's book on leadership agendas in Congress. From the author's viewpoint, it would be a mistake to conclude that the "Contract with America" was totally new. After all, the Democratic leadership of many previous Congresses had laid out aggressive policy agendas to keep their membership focused. In this sense we should not have been surprised by the Republican initiative in 1994. It is the duty of party leaders to set priorities and accomplish goals. It would have been odd if they had not done so.

But the Contract's uniqueness should not be overlooked, even if one isn't fond of Republicans. Setting priorities and accomplishing them are two different things. In a decentralized Congress, where political independence is often rewarded on election day, securing the cooperation of the rank-and-file is not easily accomplished. Leadership priorities can be established, but it is often in doubt whether anything will be done about them. Moving from agenda to passage of legislation is contingent upon a confluence of forces not totally in the party leader's control. Certainly the success of the "Contract with America" on the floor of the House during the first 100 days is an indication that the 104th Congress was unique. The eventual action of the Senate on several of the major Contract items by the end of 1996, including welfare reform, made the 104th leadership agenda pretty remarkable for what it did to rewrite the U.S. Code.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

The way in which GOP leaders secured support for their agenda was also unprecedented. No Democratic congressional leader had ever proposed that the rank-and-file pledge their support for bringing the agenda items to a vote in the initial weeks of the legislative session. As Bader indicates in Chapter 7, great care was taken in securing support for the legislative items in the Contract. This support was greatly enhanced by the GOP's longstanding minority status. Given their forty years in the wilderness of minority status, the context in which the Republican agenda was constructed was also unique. The Democratic agendas Bader discusses in his book differ in that they were the agendas of a majority party. Majority party leaders face special constraints, because they are in a position to try to act on their proposals. People are more attentive to what the majority party is trying to do (Chapter 3). The Republicans in 1994, however, were framing a minority agenda. Many members ignored the Contract, figuring that they would not be in a position to act on it anyway. Enthusiasm for the agenda varied widely. Some GOP members mentioned the Contract items in campaign stops; other totally ignored it. The GOP leadership had considerable leeway in framing a platform that a majority party simply would not have had. Bader's conclusion seems to be that the 104th Congress was business as usual, with some unique twists given the circumstances. His assessment is reasonable and persuasive.

Aside from addressing this question about the uniqueness of the 104th Congress and its leadership, this book makes other valuable contributions to our understanding of policy entrepreneurship. From his study of leadership agendas, Bader has condensed six different goals that leaders strive to accomplish in setting priorities: highlighting differences with the other party, demonstrating bipartisanship, showing deference to others (such as the president), asserting congressional independence, proving policy competence, and providing policy leadership. Through case studies, Bader provides examples of leadership strategies that are designed around each of the goals. In the 104th Congress, for instance, the strategy behind the Contract was to highlight differences with the other party on valence issues. In five previous Democratic-led Congresses, Bader finds that stressing Congress's independence was the most important goal behind the agenda, followed by focusing on policy competence. Setting an agenda to emphasize party differences was also a common strategy by the majority Democrats. What is insightful about this discussion is the idea that leadership agendas are not always about law making. Members are concerned about good public policy, but they also choose policy positions to try to make the other party look bad or to show that they are independent of the president. Given the difficulty of advancing any leadership agenda into law, it is not surprising that these other nonlegislative goals often determine the content of leadership agendas.

The best thing about this book is that John Bader recognizes that what happens in Congress is not the product of impersonal forces colliding in the universe. People matter such that if certain leaders were not in place to do what they did, things might be very different. Bader is a careful student of particular leaders: Sam Rayburn, Jim Wright, Carl Albert, Mike Mansfield, Tip O'Neill, Newt Gingrich. This book could not have been easily written outside of Washington, but therein lies its value. For readers who are interested in the people leading Congress, as well as the broader institutional features of the system, this book is a real gem.

JAMES G. GIMPEL
University of Maryland

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Democratic Transitions in Central America *edited by Jorge I. Domínguez and Marc Lindenberg. Gainesville, University Press of Florida, 1997. 240 pp. $49.95.*

Long before the world could imagine that war could be cold much less fathom weapons of mass destruction, Central Americans lived in fear of foreign powers. The decline of the Spanish armada left their coastal cities exposed to English pirates. And imperial Spain's descent into oblivion proclaimed what Central American elites thought obvious: Great Britain represented both a novel political-economic paradigm and an emerging threat to their own sovereignty.

The danger, it turned out, lay closer to home. An ephemeral Mexican empire imposed its paternal protection on Central America, whose own postcolonial leaders quickly accumulated a sorry record of internal strife. The patriotic founders of the Central American Federation—liberals and conservatives alike—were clannish and localistic. They were also presidential fetishists who repeatedly warned one another that if they failed to forge "fraternal" unity, their young nations would become the toys of foreigners. That was the first of their self-fulfilling prophecies.

The story of American interventionism in this conflictual region and the eventual Soviet challenge to American hegemony is well known. By the 1980s Central America was a bloody playground for superpowers and a magnet for foreign activists, journalists, and scholars. The best of the latter strove for thick parsimony in their accounts of the region's complex internal dynamics; but too many opted for simplification.

Now that the superpower(s) seem done with Central America, we face a dearth of insightful works and a surplus of distorted views. The collected volume *Democratic Transitions in Central America* provides relief on both counts, presenting us with a robust discussion of the region's delicate transitions from authoritarianism and war in the 1980s to pacification and democratization in the 1990s.

The introduction by Jorge Domíguez links the cases to the theoretical literature on democratization and conveys the enabling message that structural constraints do not preclude strategic action, even in Central America. The volume's conclusion by Marc Lindenberg provides a rare comparative perspective on the variety of emergent transition patterns—from recalcitrant Guatemala to exceptional Costa Rica.

The contributions by Central Americans are all worthwhile, though some deserve special mention. The essay by Sandinista Front for National Liberation (FSLN) Comandante Jaime Wheelock first paints yet another neo-Marxist caricature of Nicaragua's pre-revolutionary political economy; but then it shifts, perhaps unwittingly, to a spirited political account of the country's protracted transition to democracy. In contrast, Silvio De Franco and José Luis Velázquez (prominent anti-Sandinista intellectuals) dispel the myth of a Somoza dynasty overwhelmed by the accumulated pressures of "feudal" rigidities—arguing instead that a widening gap between the country's rapid economic modernization and its laggardly political development proved the undoing of the ancién regime.

If the Nicaraguan contributors have Samuel Huntington and Karl Marx talking to each other, the essay on El Salvador by Rubén Zamora (a Christian Democratic ally of the Farabundo Marte Liberation Front [FMLN]) succeeds at thick parsimony by unself-consciously blending historical-institutionalist, rational choice, and cultural approaches. As rendered by Zamora, the Salvadoran transition reveals the multiple relevances of sociopolitical (re)-arrangements. Previous strategic decisions do leave their mark on institutions and set the parameters for the art of the possible; but ideological reinvention and communicative innovation also create startling opportunities for structural change. And though political actors

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

compete for power resources, they also seek to maintain a minimal correspondence between public normative dictates and self-seeking pursuits.

This is a serious book about real countries. The playground is quiet, at least for now.

CONSUELO CRUZ
Columbia University

Cultural Internationalism and World Order *by Akira Iriye. Baltimore, Johns Hopkins University Press, 1997. 212 pp. $32.50.*

This small volume is the product of Harvard historian Akira Iriye's Albert Shaw Memorial Lectures for 1988 at Johns Hopkins University. Iriye, a prominent and prolific scholar of international relations, narrowed the scope of his lectures on "War and Peace in the Twentieth Century" to trace the development of "cultural internationalism" since the late nineteenth century. He acknowledges that definitions of both "culture" and "internationalism" have found little consensus. And he admits the difficulty of separating political and economic ideas, institutions, and policies from cultural phenomena, but he undertakes the task largely through historical descriptive narrative. Iriye concedes that modernization and development have commonly meant Americanization, even though the first two are generally applied to the political economy and the latter to the cultural aspects of international relations.

Iriye's survey of transnational cultural developments demonstrates the important and commonly neglected role of cultural phenomena in the course of the past century. His thesis is that the values, perceptions, methods, and language used in order to cross national cultural barriers are distinct (for analysis) from the activity and conduct people pursue in war, conflict, business, and diplomacy. The tension between cultural internationalism and geopolitical realism is similar to the ideology vs realism dichotomy, except that cultural internationalists often see themselves as realists, striving to avoid the excesses of nationalism. Cultural internationalists believe that even the means to obtain goals (power) need to be culturally defined.

His clarifications and illustrations of the differences among the legal, economic, and cultural aspects of international contact are not always successful. For example, he considers the movement to standardize statistics, weights, and measures aspects of the rudimentary cultural internationalism of the late nineteenth century. The U.S. government, however, pursued a weights and measures agreement at the Panamerican conference of 1889 largely because merchants and manufacturers (many from the West Coast) wanted simplified weights and measures for their commercial activity from Mexico to Chile. Customs laws on this coast required weights in pounds, kilograms, arrobas, or quintales, but it was even more complicated. The countries used arrobas and quintales of different weights. Selling flour or other items by weight was a nightmare. The cultural and economic aspects are not readily separated.

Iriye's narrative incorporates new perceptions of cultural internationalism for the period from 1880 to the 1960s. Beginning in the late nineteenth century, he integrates Japanese and some Chinese intellectual currents and individuals to the Western international cultural movement. He notes how Japanese and Chinese intellectuals (and governments) sought to join the movement—under Western norms—even while asserting national and anti-impe-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

rial objectives. In his view, cultural internationalism came of age after World War I had revealed the destructiveness of nationalism and modern political economies. A worldwide spawning of cultural international agencies and writings followed, but the Great Depression devastated the movement. In the 1930s, military and authoritarian regimes coopted the idea of culture. They created agencies and propaganda to assault the culture of their real and imagined opponents. The authoritarian regimes used culture to help them crush the internal opposition and to expand outward.

Dramatically, Iriye judges that the future of cultural internationalism and the human race hung in the balance in 1939. World War II nationalized cultural pursuits, encouraged worldwide revolution (decolonization), and made security the focal point of a new world order. The new world order (the cold war)—a clash of political economies and cultures—was uncompromising, because the period from 1931 until 1945 had been deadly and destructive.

In this book, Iriye has outlined the history of internationalism primarily as intercultural, rather than interstate, affairs. He describes thinkers, groups, or organizations that were largely independent of government bureaucracies. Yet the source of "their" culture (drawn from family, communities, education, and associations) leaves a question mark behind the assertion of their "independence" from the state or governmental structure. His review of cultural internationalism is enlightening and fresh. Although he has championed cultural internationalism for over three decades, he had not pursued the international growth of transcultural individuals and groups previously. Still, Iriye's work is valuable because it confronts rather than ignores the different perspectives of international contact.

THOMAS SCHOONOVER
University of Southwestern Louisiana

The Election of 1996: Reports and Interpretations *by Gerald M. Pomper, Walter Dean Burnham, Anthony Corrado, Marjorie Randon Hershey, Marion R. Just, Scott Keeter, Wilson Carey McWilliams, and William G. Mayer. Chatham, NJ, Chatham House, 1996. 290 pp. $25.00.*

This book is the sixth in the series of interpretations of the recent presidential elections. It continues to provide a fine compendium of aggregate and factual information; such as the percentage of delegates to both political parties chosen from the first weeks of the campaign and throughout the primary season, the votes in primaries, the campaign resources of the candidates, and poll results throughout the campaign. Much of this is put within a comparative context of at least the last few contests.

The subtitle suggests a division between interpretations and reports, which presumably contain more supportive data. This is what you get. Marjorie Hershey's "Congressional Elections" chapter stands as the best example of data-based analysis, with the conversion of the South from solid Democratic to solid Republican being paramount. William Mayer's "The Presidential Nominations" also stands out in showing the contemporary "front loading" of presidential primaries. Scott Keeter, Anthony Corrado, and Gerald Pomper fall a step down. They use aggregate and survey data to suggest what might have contributed to the 1996 results. Often in these analyses there is neglect of consideration of which way causality runs. For example, Pomper shows that both personal expressions of improvement in finances in the past four years as well as views of the state of the national economy relate

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

to which candidates people supported. Pomper states, "Clinton's vote . . . strongly reflected this economic enthusiasm" (page 191). No one has demonstrated that the causality does not run from a decision to cast one's vote for Bill Clinton to stating that both the national economy and one's personal situation have improved under his stewardship. Pomper may be right about causality, and certainly the national media have decided Clinton is the beneficiary of a booming economy. Perhaps the 1992 campaign credo, "It's the economy, stupid!" has been uncritically embraced.

Overall, the interpretation of how Clinton won while the Republicans retained control of Congress, especially in light of Republican success in 1994, I think defies any rational calculus by the electorate. As Pomper notes, Clinton's two-party share of the vote differed little from 1992 to 1996 or from four previous contests. Probably very few voters changed their votes either for president or Congress between 1992 and 1996. Accounting for these few changers, especially suggesting that their votes were rational, may be beyond our methodological competency. Keeter notes that only 14 percent of exit interviewees claim to have split their votes between the presidency and Congress. Again, this suggests that very few voters determined the election outcomes that continued our divided government. The entire electorate did not choose divided government. I would suggest looking to legislative actions to make districts uncompetitive and the change of the South from "yellow dog Democrat" dominated to conservative Republican dominated is the simplest explanation for what is happening to our national politics.

Finally, there are too many contradictions between what the many authors say in their chapters to allow this to be of much use as a textbook. *The Election of 1996* is a good snapshot of this event to help recall it at some future time.

NORMAN R. LUTTBEG
Texas A&M University

After Suffrage: Women in Partisan and Electoral Politics before the New Deal *by Kristi Andersen. Chicago, University of Chicago Press, 1996. 191 pp. Cloth, $38.00; paper, $13.95.*

In this rich and engaging book, Kristi Anderson presents a convincing argument that woman suffrage deserves greater scrutiny as a social, cultural, and political force in the development of American electoral and party politics. Contrary to the conventional wisdom that the effects of the Nineteenth Amendment remained hidden until the 1970s, Andersen places the passage of suffrage within the context of politics of early twentieth-century Progressivism and argues that the decline of partisan politics and the rise of candidate-centered and interest-group politics were intertwined in complex ways with the entrance of millions of women voters to the political sphere. In this careful analysis of political writings, aggregate election data, and secondary literature, the most significant contribution is Andersen's narrative of how the expansion of women's citizenship transformed the relationship between gender and citizenship. Andersen argues that women and men "renegotiated boundaries" of sex differentiated roles in politics, and provides accounts of how the process of negotiation manifested itself in women's roles as voters, as participants in (and objects of) party politics, and as candidates and officeholders.

Andersen tells a story of how woman suffrage, Progressivism, and political culture interacted at this critical point in American political history. Political scientists might pose a sim-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

ple causal question: Was it the era of Progressivism that created a climate amenable to the passage of suffrage? Or was it the politics and mobilization of woman suffrage that influenced the development of a progressive climate? Rather than engaging either straw man, Andersen argues that the negotiation over boundaries of gendered political identities, roles, and power represents a causally complex (and reciprocal) story that places woman suffrage among other concurrent changes. She says, ask not whether suffrage changed politics, ask whether American politics without suffrage would be the same. Eschewing simple dichotomous distinctions, Andersen brings with this narrative a more subtle and realistic interpretation of the transformation of the role of women in American politics.

This book is useful to students of American politics more generally and to those who study political behavior and women in politics more specifically in several important ways. The analysis draws attention to a critical formative period for women in American politics, and in so doing, it invites further scrutiny by political scientists. One can hear loud echoes in current political rhetoric of the "essential" political woman, as well as the persistent tension between differentiation and assimilation for women's political action in Andersen's description of the early twentieth-century language of woman suffrage. The book also raises more general issues addressing the political requirements and consequences of the incorporation of new entrants into a democratic polity, in particular for minority citizens and immigrants. Andersen's analysis of the incorporation of women into the public sphere and the subsequent transformation of the political domain itself suggests strategies for interpreting and analyzing the demographic and contextual changes, as well as the constructions of the political being of new entrants by politicians, commentators, and political activists. Finally, the book's rich analysis reminds scholars of American politics that, fortunately, the study of electoral politics has a life that predates the systematic collection of national survey data.

JANE JUNN
Rutgers University

Midterm: The Elections of 1994 in Context *edited by Philip A. Klinkner. Boulder, CO, Westview Press, 1996. 202 pp. Cloth, $75.00; paper, $19.95.*

The 1994 midterm election produced the largest seat shift since 1948 and resulted in the first change in control of the House since 1954. Philip Klinkner has assembled ten excellent essays about this historic election.

Gary Jacobson leads off with a general analysis of House elections and how Republicans won their majority. He attributes the Republican victory to public anger at the nominally unified Democratic government and the Clinton administration, Republican success in mobilizing this discontent by nationalizing the campaign, and redistricting. The usual constituency-level effects of money, incumbency, and challenger quality are examined, but it is the national link that is most intriguing (though he observes that local factors played a strong role in how national forces played out). While stopping short of claiming that the nationalization of the election reflects a realignment, he sees a strategic environment favorable to Republican prospects; and the survival of the Republican House majority in 1996 seems to bear him out. Franco Mattei continues the nationalization theme in his thorough analysis of Senate elections, setting the results in context, as well as examining the effects of divisive primaries, the experience of candidates, and campaign spending.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Several chapters provide backgrounds on campaign themes of 1994. In the first of these John Pitney and William Connelly provide an enlightening discussion of how the Republican campaign message, group politics, and institutional factors led to their victory. Philip Klinkner interprets 1994 in terms of a "court-versus-country dynamic" or a centralization versus decentralization preference—an interesting perspective, though only one of several themes in recent ideological divisions between the parties. Later in the volume, for instance, J. Christopher Soper discusses the role of the Christian Right, an alternative interpretation, and Grant Reeher and Joseph Cammarano examine the contribution of the mobilization of "angry white males," yet another component. Various other interpretations, including differences in views about economic and racial issues, might also have explained 1994. Nevertheless, each of these chapters provides interesting insights into important components of the election.

Political resources affecting the election are explored in several chapters. Theodore Eismier and Philip Pollack thoroughly review campaign finances. They conclude that for the most part it was business as usual. Republican congressional gains were not based on a big financial advantage; though with the benefits of incumbency and partisan control of Congress, they (like Jacobson) speculate that Republicans might enjoy a bigger money advantage in the future. In fact and as expected, though Democratic House candidates in total outspent Republicans in 1994, the situation reversed in 1996. Sandy Maisel and his colleagues provide an equally thorough examination of the impact of prior political experience. Their analysis of the impact of candidate experience in open seat contests was particularly interesting and illustrates both the effect and the limits of the candidate quality considerations. As expected, experienced Republicans fared better than those lacking experience, but even "nonquality" Republican candidates won 70 percent of their races. Both studies indicate that while money and candidate quality affect individual contests, they do not take us far in explaining the sweeping change of 1994.

That change was part of a more fundamental shift in the general direction of the party system. Paul Frymer provides a thorough and compelling case that 1994 was an important step in a long-term realignment, which has seen dramatic shifts in party voting and loyalties in the South and was long delayed in reaching congressional elections. Combined with other recent research, this leaves little doubt that a realignment is well underway. Frymer also adds to the growing literature that partisan dealignment in the electorate has been greatly exaggerated and further fuels doubts about balancing theories of split-ticket voting. Frymer (like Jacobson) also points to the sharp drop in uncontested congressional districts—perhaps a clue that the newly realigned party system might resemble that of the late 1800s, a closely competitive system nationally with a Republican edge. Bill Clinton as Grover Cleveland?

David Mayhew innovatively examines the impact of the election by comparing 1994 to four "innovative midterm elections" that ushered in new policy eras—1810, 1866, 1910, and 1938. While finding many similarities with these innovative midterms, 1994 lacked the severe majority party factionalism of the others. One wonders whether the difference might be attributable to the Republicans' prolonged minority status as well as the closely competitive state of national congressional politics that left little room for internal dissent in either party. Although Mayhew entertains the idea that 1994 might not have been an "innovative midterm election" but a flash-in-the-pan like 1946, it is also possible that 1994 was simply the continuance of a conservative policy era interrupted by the Clinton presidency (much as Cleveland interrupted the Republican era of the late 1800s).

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

The one shortcoming of *Midterm* overall may be that it does not pay enough attention to national factors that systematically shape interelection partisan change, which makes 1994 so interesting. An examination of a midterm is incomplete without focused examinations of the effects of the withdrawal of presidential coattails, the president's midterm popularity, and economic conditions. Nevertheless, anyone interested in congressional elections and the momentous 1994 midterm election should read *Midterm* and keep it on hand for 1998.

JAMES E. CAMPBELL
Louisiana State University

Nuclear Designs: Great Britain, France, and China in the Global Governance of Nuclear Arms *by Bruce D. Larkin, New Brunswick, NJ, Transaction Publishers, 1996. 354 pp. $34.95.*

For fifty years, debates about nuclear weapons were largely debates about Soviet and American nuclear weapons. With the end of the cold war, scholars shifted their attention from the superpowers to potential proliferators such as Iraq, Iran, and North Korea. Lost in the transition from nuclear hegemons to nuclear aspirants was another group of countries, the so-called second tier states. The second tier is comprised of established nuclear powers who possess comparatively small arsenals. Bruce Larkin's new book is a welcome addition, because it redirects our attention to this important set of countries.

Nuclear Designs examines three of the second tier states—Britain, France, and China. The study is largely descriptive, rather than explanatory, and it contains little in the way of international relations theory. Instead, it documents the force structures, doctrines, and nuclear decision-making processes in these three nuclear weapons states. Driving this inquiry is a broader normative concern about nuclear weapons and the extent to which small nuclear powers might obstruct or contribute to the process of disarmament.

The focus of the book is nuclear policy in the 1980s and 1990s. Of particular interest to the author are the countries' attitudes toward the Comprehensive Test Ban Treaty and what their postures imply about the possibility for further reductions in nuclear stockpiles. Larkin finds that there is a strong constituency in all three countries for the continued possession of nuclear weapons. France, not surprisingly, remains committed to the force de frappe, and Britain is in no hurry to abandon its nuclear status. China, far from wanting to reduce its nuclear inventory, is looking to augment its stockpile. In addition, China is wary of arms control, which it suspects is a Russo-American political ploy.

Without the support of second tier states, efforts at arms control are unlikely to succeed, and so for advocates of disarmament, the question is how to induce these states to change their policies. Larkin's analysis suggests one possible answer. Proponents of disarmament might aim their energies at the domestic decision-making process. Nuclear policy, it appears, is strongly influenced by domestic determinants. According to Larkin, "who decides and what they will consider will be located in internal politics" (p. 307).

Two issues raised by the book are particularly noteworthy. The first is an analysis of nuclear disengagement, a process in which states retain possession of their nuclear weapons but under conditions that prevent quick access or use. As Larkin points out, disengagement allows hedging but not brandishing. The second is the suggestion that progress toward disarmament will only come when proponents of nuclear weapons can be shown that there are

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

convincing, alternative means of achieving security. These alternative means, called "non-nuclear scripts," must "be practiced, tested and thoroughly debated" (p. 308).

Nuclear Designs pulls together useful information on the French, British, and Chinese nuclear programs, and it contributes to the normative debate over how to pursue nuclear disarmament; but two factors serve to undermine the force of its message. One is timing.

The book was published before the imbroglio over French nuclear testing and before the disposition of the Comprehensive Test Ban Treaty. Thus, significant parts of the book analyze issues that have been altered or settled by recent events.

A second criticism relates to the scope of the book. It may be too ambitious. One chapter, entitled "National Structures and Civil Society," covers nine subheadings including a profile on the political parties in each country, their governance structures, civil society, industrial base, nuclear weapons establishments, and public opinion. Many topics are covered, some too briefly. In the end, the reader wonders if the book hangs together as a piece.

These drawbacks notwithstanding, *Nuclear Designs* provides a useful reminder that even small nuclear powers deserve our attention. It intelligently reports on recent policy trends, and it offers thoughtful advice on how to proceed toward a different kind of future.

JIM WALSH
Lawrence Livermore National Laboratory

Soldiers, Civilians, and Democracy: Post-Franco Spain in Comparative Perspective *by Felipe Agüero. Baltimore, Johns Hopkins University Press, 1995. 336 pp. $49.50.*
Divided Nations: Class, Politics, and Nationalism in the Basque Country and Catalonia *by Juan Díez Medrano. Ithaca, NY, Cornell University Press, 1995. 256 pp. $29.95.*

Since Franco's death in late 1975, Spain has become a veritable laboratory for studying two key political processes of our time—democratic transitions and ethno-nationalist conflicts. By effecting a relatively smooth movement from dictatorship to stable democracy, Spain has become a model for democratizing regimes in Europe, Latin America, and elsewhere. Especially striking in Spain's transition has been the ability of civilian politicians to secure the compliance, if not the enthusiastic approval, of top military leaders for institutional changes that diminished military political authority. This success is all the more remarkable in light of persisting divisions between the central government and such regions as the Basque Country and Catalonia, which vigorously and sometimes violently demand autonomy and independence. These two distinctive traits—a successful democratic transition amidst strong peripheral nationalist mobilization—have prompted a new generation of scholars to examine the Spanish case using explicit theoretical frameworks. Two members of this generation, Agüero and Medrano, seek to understand , respectively, how Spain was able to establish a civilian-dominated democracy and how Catalonia and the Basque Country, despite a shared suspicion of Madrid and the center, developed contrasting forms of nationalist politics.

Agüero's study is the more theoretically ambitious and comparatively sweeping. The author asks: How did Spain's democratic reformers compel the military to accept a new regime that ultimately rejected the Francoist political legacy? Behind this question is one of broader comparative scope: Under what conditions can civilian leaders in a postauthoritarian context institute democracy in the face of likely military resistance? A major strength of the book is that it addresses both of these questions equally and simultaneously. While dissecting the Spanish case in impressive detail, the author explicitly compares it with a wide

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

set of cases in Southern Europe (Greece, Portugal) and South America (Brazil, Argentina, Chile, Uruguay, and Peru).

Combining historical-institutionalist and power-resources perspectives, Argüero argues that one must analyze not only the transition process itself (that is, until the adoption of a new constitution), but also the post-transition period in which the new legal framework creates new political winners and losers. Each of these phases thus creates distinct opportunity structures, which shape the strategies of contending political actors. Whether civilian or military leaders ultimately dominate depends on how successfully each group can mobilize political resources within these highly fluid contexts. During both phases, the relative power of civilian versus military officials depends on several factors, including the nature of the exiting regime (that is, whether it was a civilianized versus a militarized one), the transition path (gradual liberalization versus sudden collapse of authoritarianism), the internal unity of key political groups, and public opinion (strong versus weak support for democracy). In Spain's case, says Agüero, the Francoist regime was a "civilianized" one—despite *El Caudillo's* reverence for the military virtues of order, tradition, and hierarchy. Thus the military found itself relatively subordinate from the outset of the transition. Moreover, the transition path of gradual, negotiated reforms enacted by a unified group of civilian reformers and backed by strong public support for democracy helped discourage military resistance. Meanwhile, the military itself was too rent by internal divisions to act concertedly.

This summary does little justice to a convincing empirical and theoretical analysis. For Spanish specialists, the focus on the military's role in the transition is especially welcome, given the predominant scholarly stress on such factors as civilian leadership, economic modernization, and the emergence of a civil society during the late Franco years. Moreover, the comparison between Spain and other democratizing regimes, informed by a clear conceptual structure that allows for contingency and strategic choice, makes this book a model of the comparative method.

Medrano's study of Basque and Catalan nationalism, by contrast, is more narrowly framed. The central question is why has Basque nationalism historically tended to be separatist and anticapitalist, whereas Catalan nationalism has embraced greater regional autonomy along with a pro-capitalist stance? By comparing two distinct nationalist movements within a single state, Medrano is able in effect to hold constant a broad array of variables often evoked in explaining nationalism, including state centralization, capitalist development, relative deprivation, and ethnic competition. With this approach, the author can then isolate the impact of his key factor—the nature of class structure and class conflict in each region. In Medrano's view, nationalist ideologies emerge not from a generalized sense of grievance within a particular population or region, but rather from political competition between groups within the population or region itself. At root, nationalist movements derive from and reflect political struggles among local elites. What defines the nature of the local struggle? For Medrano, local political struggles often spring from class conflicts, which in turn stem from particular patterns of regional development.

Basque and Catalan nationalism, claims the author, ultimately results from contrasting development patterns, class structures, and forms of political competition. In the Basque Country, industrialization beginning in the late nineteenth century exhibited a pattern of "combined" development which "rests on the coexistence, within a country or region, of an advanced and highly concentrated industrial sector and an economy that remains largely traditional" (p. 41). Within this dual economic structure two broad groups clashed: on the one hand, a small capitalist class specializing in capital goods production (especially iron and steel) and depending on close ties with the state for sales, financing, and trade protection; on

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

the other hand, traditional classes including landowners, peasants, artisans, and local producers and merchants who resented the capitalists' growing power. To compress a more elaborate argument, these traditional classes rejected Madrid-backed capitalist development and sought salvation in political separation from Spain. Thus "Basque nationalism represented the frustration of preindustrial Basque elites with the changes brought about by industrialization and centralization," (p. 191).

In Catalonia, by contrast, development followed an endogenous pattern whereby agricultural surpluses gradually financed an industrialization that itself was based on consumer goods production, principally textiles. The result was the growth of a large homegrown financial and industrial bourgeoisie along with the gradual integration of peasants and other preindustrial groups into the industrial economy. Catalan business leaders thus flourished within a capitalist structure yet came to resent their political exclusion and lack of influence over state policy. Catalan nationalism, driven by the interests of this regional bourgeoisie, reflected frustration over political impotence rather than outright rejection of the Spanish state.

Historically informed and deeply researched, *Divided Nations* is the most comprehensive comparison of these two important nationalist movements available in English. Yet it is not without faults, notably a tendency toward jargon and opaque, convoluted arguments. Granted that the historical record is complex, the book often suffers from a forest-and-trees problem that makes it difficult to grasp the central lines of analysis amidst the historical detail. This reservation aside, *Divided Nations* and *Soldiers, Civilians, and Democracy* are two noteworthy contributions to our understanding of Spain's still evolving democracy.

W. RAND SMITH
Lake Forest College

Lebanon: A Shattered Country *by Elizabeth Picard. Translated from the French by Franklin Philip. New York, Holmes & Meier, 1996. 202 pp. $29.50.*

This splendid little book does much more than simply tell the story of Lebanon's undoing. Elizabeth Picard, one of France's leading Middle East analysts, provides an incisive analysis of that tortured country's complex political culture, its socioeconomic imbalances, its mediocre political leadership, and its exploitation by neighbors big and small, far and near. While there are several fine studies of the Lebanese civil war and postwar conditions, notably Theodor Hanf's *Coexistence in Wartime Lebanon,* none exceeds this one for overall quality of analysis and economy of expression. In a scant 200 pages, Picard reveals the contradictions of Lebanon's sectarian diversity and its French colonial past, details the inequalities that underlay its political collapse, and insightfully deconstructs its problematic political formula.

Her work speaks to several political science concerns that go well beyond the Middle East as a region: students of comparative political culture, historical intitutionalists, rational choice scholars, and students of democratization (especially of the consociational variety) will find much of value in Picard's analysis. Unburdened by conventional disciplinary boundaries, Picard ranges authoritatively across the territory of anthropology, political economy, diplomatic history, and international relations—as well as political science—to tell her dramatic and deeply depressing story. With succinctness that eludes too many writers on Lebanon, she brilliantly sketches France's creation of "Greater Lebanon," the rise

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

of "the merchant city," and the essential features of patron-client relations. She nicely draws together the feudal, sectarian, and patrimonial features of Lebanese political culture.

The most original and interesting part of this book deals with the ruinous strife that racked Lebanon from 1975 to 1990. She rightly distinguishes the several wars—two major ones and several little ones—that marked this period. Particularly useful is her analysis of the run-up to this catastrophe, which integrates both the external and societal causal factors. But her trenchant assessment of the consequences of the war and the changed political map of Lebanon today is what will elicit the most interest and debate. She discerns four main changes: a new kind of communal identity presenting sectarianism as a positive norm, not (as before) a necessary evil; the replacement of presidential supremacy by a triumvirate of sectarian leaders—a Sunni Muslim prime minister, a Maronite Christian president, and a Shi'ite Muslim speaker of the parliament; the contemplation (but not yet the implementation) of institutional reforms in the area of constitutional oversight, judicial independence, and administrative decentralization; and Lebanon's structural (and subordinate) alignment with Syria.

Picard's study combines precision with passion. One cannot peruse these pages without feeling her anguish and anger over what has happened in this country that she knows so well and loves. Her analysis does not mince words. She is unsparingly critical of the corruption and small-mindedness of the Lebanese political class, and she is angry at the cynical, sometimes brutal, machinations of neighboring powers, especially Israel. Nor does she spare the "great" powers for their selfish and clumsy policies. France, she writes, "made a show of vain promises and puffing . . ." (p. 170).

This book will be of interest to political scientists in general, Middle East specialists, and students of international affairs. But it will be particularly useful for scholars concerned with ethnic conflict, politics in deeply divided societies, power-sharing and consociational models, civil society, and democratization. Lebanon—whether as a "democratic republic" or a "militia republic"—has long been a fascinating subject for political scientists, and it will continue to be so as it seeks to build a stable postwar order. To do so, Picard suggests that the Lebanese political system will have to acknowledge sectarian differences, "while securing communal representation under the authority of a lawful state held accountable by a responsible citizenry"(p. 171). It will also have to come to grips with growing socioeconomic inequalities. While Picard is not completely pessimistic, her study suggests that achieving these aims will not be easy.

The book is enhanced by three maps, an appendix identifying the main actors and major milestones in the civil war, and five pages of annotated suggested readings on Lebanon.

MICHAEL C. HUDSON
Georgetown University

Narratives of Justice: Legislators' Beliefs about Distributive Fairness *by Grant Reeher. Ann Arbor, The University of Michigan Press, 1996. 338 pp. Cloth, $39.50; paper, $21.95.*

In this first-rate study, Grant Reeher demonstrates how much can be learned by soaking and poking and asking good questions and listening carefully to the answers. In 1988, Reeher conducted long, structured but open-ended interviews with all but one of the thirty-six members of the Connecticut state senate in order to understand their thinking about matters of

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

distributive justice. His fascinating findings demonstrate that, although we live in an era in which abortion sends Americans to the picket lines and family values figure importantly in our political rhetoric, traditional notions of economic liberalism and conservatism continue to act as fundamental organizing principles in the beliefs of at least one group of American political elites.

The core of Reeher's inquiry is to differentiate and elaborate three narratives of distributive justice and to illustrate them with extensive quotations from the interviews. He distinguishes "critics," "supporters," and "ambivalents" in terms of their orientations toward the existing economic order—the degree to which it provides opportunity to all, the degree to which the distributive results are fair, and the degree to which government can or should intervene on behalf of those left behind. He then demonstrates for three important issues during the 1988 legislative session—educational finance, property tax relief, and an unsuccessful attempt to provide safeguards to workers rendered unemployed through plant closings—how these varying narratives shape legislators' responses and give them a vocabulary for discussing their positions. He concludes with an extremely sensible discussion of the multiple factors at play in legislative decision making and indicates that, while many other factors—among them constituency preferences, the dictates of party loyalty, and personal friendship—have an impact, legislators also influence their actions.

In the concluding chapter, Reeher frames what he has heard in terms of political philosophy and addresses in particular "the problem of normative incommensurability." As a neophyte in these matters, I found this chapter somewhat rough going. Moreover, in concentrating on matters philosophical, Reeher gives less attention to other concerns. For example, I wish that he dealt more systematically with the sources of legislators' beliefs about distributive justice. In his discussions of the three narratives, Reeher does discuss aspects of legislators' past experiences that are related to their current beliefs. Nonetheless, as he mentions in the concluding chapter, the same experience—for example, overcoming childhood hardship—can leave very different interpretations in its wake, convincing some legislators that ample opportunities for advancement still exist and others that it is important not to forget the less fortunate. It may be that to establish the origins of beliefs about distributive justice is simply not feasible with a case base of thirty-five and that this is a question more effectively addressed with evidence of another kind. Nonetheless, Reeher whetted my appetite.

I also wish that Reeher had discussed more fully the implications of his findings for the understanding of American politics. He seems to conclude that what he learned about the diversity of views on matters of distributive justice calls into question the standard interpretation of American exceptionalism. Viewed from the perspective of French or Italian politics, however, the spectrum of views in the Connecticut state senate is remarkably narrow. Furthermore, although race is mentioned frequently in legislators' discussions of distributive justice, the rhetoric of class crops up only very rarely. Such matters merit fuller attention. Nonetheless, Grant Reeher has written a very valuable book that raises important concerns for future scholars.

KAY LEHMAN SCHLOZMAN
Boston College

When Allies Differ: Anglo-American Relations during the Suez and Falklands Crises *by Louise Richardson. New York, St. Martin's Press, 1996. 221 pp. $45.00.*

In the early 1960s, John Paton Davies, Jr. described American foreign policy as mired in "somnambulism," a prophetic observation as the United States then staggered with all the

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

grace of a drunk into the quicksand that was Vietnam. As fascinating bookends to that shelf full of blunders, the Suez Crisis of 1956 and the Falklands War of 1982 provide intriguing examples of other times when an ally must challenge the wisdom of a partner and find ways to navigate past its questionable behavior while maintaining the sturdier elements of friendship.

Louise Richardson's handsome little volume on the Suez and Falklands episodes succeeds quite nicely on several levels. In facile prose, it conveys to the reader well researched and carefully analyzed histories of both international predicaments. Second, as a study in comparisons and contrasts, *When Allies Differ* works beautifully to set the two affairs apart both from each other and from other such incidents in diplomatic history while citing adequately their similarities. Most meaningfully, the author manages to draw serious and well reasoned conclusions that become important recommendations for diplomats and administrations to consider—George Santayana's lessons from the past, if you will. For example, Richardson stresses repeatedly the indispensability in such circumstances of excellent communications, as well as the wisdom to nurture in the most stressful times what she calls "special relationships."

Perhaps the most significant contribution of the volume is its healthy addition to the body of literature on the nature and dynamics of alliances in general, and in particular the sterling one that evolved between the United States and the United Kingdom in the twentieth century. What the author calls "alliance management" becomes an essential ingredient to the successful progress of allies through stressful periods of disagreement. Her reminders about the underlying durability of the Anglo-American relationship appear on nearly every page as diplomats and politicians on both sides measured and confronted one another during both crises. Managing to stay out of the academic shallows that beach everything on the rocks of mere power, the author analyzes the trans-Atlantic alliance from all perspectives, including that mysterious and Churchillian point of blood and language.

The rather high price of the book brings recompense in many ways, including merely the detailed chronologies of both stories. But as an intellectual history of foreign policy, it really shines. The author ranges widely across the spectrum of the Anglo-American alliance, citing and criticizing precedent-setting studies, such as that of Richard Neustadt, who similarly looked at the relationship from the perspective of Suez and the Skybolt missile affair of 1962. Richardson also deals easily with the complicated business of understanding the internal workings of both the State Department and the Foreign Office and their sometimes tragicomic interfaces.

Inevitably, extremely minor and rare problems mar the volume. For example, the relative gravity of the two incidents begs for more analysis. Certainly Suez bore the much heavier weight of potential and actual international consequence. While the author does not ignore that reality, her suggestion that a comparison of the two crises is "skewed simply because one occurred before, and thereby influenced, the other" (p. 211) overshadows the more self-evident truth of Suez's aptitude for dire global repercussions.

The final word on this excellent study is that it comprehensively and exhaustively covers its ground. It contains much depth and instruction, and ought to be required reading for every sleepy State Department and Foreign Office functionary, with an examination at the end.

GENE A. SESSIONS
Weber State University

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Reforming the Russian Legal System *by Gordon B. Smith. Cambridge, UK, Cambridge University Press, 1996. 311 pp. Cloth, $59.95; paper, $21.94.*

This book by a leading expert on the Soviet legal system, politics, and Procuracy (Prosecutor's agency) provides a comprehensive but concise introduction to the legal and constitutional history of the USSR, independent Russia, and in a brief and unevenly informative survey, the other fourteen post-Soviet states. It also includes a chapter on pre-revolutionary Russian law. Smith looks ahead as well, posing questions about the future of the Russian legal system and of democracy.

The particular strength of Smith's approach is to pick out main continuities and changes in theory, content, and impact of laws and justice during the Soviet and post-Soviet years through 1995, in the perspective of political and economic change. Law enforcement and the courts carry over some shortcomings from Soviet days despite considerable paper reforms in all but the Procuracy. The economic sphere presents a picture of early and bumbling privatization, considerable chaos, a lack of effective and honest regulation and equitable privatization, a widespread resulting collapse of living standards, not sparing the military. This all contrasts with the newly wealthy and successful, the imported luxuries they favor, the underpaid and frequently corrupt police force, and the rampant organized criminal gangs that rival, leech off, and penetrate legal market operations.

A positive change, the return to the jury system, which was liquidated by the Bolsheviks eighty years ago, reached nine of Russia's eighty-nine regions by 1995. The failure to spread beyond those regions since has to do not only with police and prosecutors' opposition and lack of funds, but also to something else Gordon Smith points out in this book—the absence as yet of a unified bar association and a civically active legal profession that can push for harder juries and for an equal voice in court proceedings along with the prosecutors and judges. Smith tempers the pessimism widely engendered by lawlessness and economic decline in Russia with reference to positive directions in law—the Constitutional Court (he does not cover the Chechnya war and the Constitutional Court's 1995 decision on it), democratic politics, the contributions of legal experts, and the democratic and rights advocacy of dissidents.

Smith would make a stronger case for his cautious optimism over the longer run if he did not understate the reforms in pre-revolutionary Russian legal culture and practices in his one-sided chapter on pre-revolutionary Russian law and overstate the smoothness and natural continuity of legal culture from tsarism to communism. Smith omits extensive evidence, by both Russian and Western historians, of a rapidly emerging pre-revolutionary civil society as the country modernized, a prestigious legal profession, expanding advocacy of individual rights, the first parliament, or Duma, under the 1906 Constitution, and the emergence of relatively competitive and strong pro-democratic parties between 1900 and 1917. The liberal reforms by the eight-month Provisional Government (overthrown in a Bolshevik coup in the context of World War I) also abolished censorship and the secret police, later restored by the Bolsheviks. Smith passes over the Bolsheviks' disbanding of the Constituent Assembly with its three-quarters democratic socialist majority, freely elected in November 1917; the return to censorship and the secret police; and a system of repression that by 1921 far outdid the tsars in executions and inhumane conditions in the new concentration camps. The book understates the discontinuity in the destruction and replacement by the Communists under Lenin of one of the world's distinguished legal systems and professions.

PETER JUVILER
Barnard College

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Russian Civil-Military Relations *by Dale R. Herspring. Bloomington, Indiana University Press, 1996. 272 pp. $35.00.*

In his timely analysis of the current state of Russian civil-military relations, Dale Herspring examines the utility of Western theoretical models to explain conflict and cooperation between the military's high command and the political leadership. The author examines four issues: the development of military doctrine, the nature of force structure, the comparative advantages of national formations, and ensuring political loyalty in the military. In turn, each issue is examined during three periods of significant sociopolitical upheaval in Russia: the Bolsheviks' construction of the Red Army during the 1920s, Mikhail Gorbachev's implementation of perestroika in the mid-1980s, and Boris Yeltsin's struggles in the post-Soviet period to reform Russian society up to 1996. Against this historical template, the author has selected theoretical models of civil-military relations articulated by Roman Kolkowicz, William E. Odom, and Timothy J. Colton. But Herspring concludes that none of the traditional models is entirely applicable to these historical periods. Most importantly, the author finds all three models lacking in their predictive capacity with regard to the current period.

As Herspring explains, the Kolkowicz model of Russian civil-military relations posits a clear boundary between the civilian and military authorities, each with distinct interests. On the other hand, Odom's model—clearly based on totalitarian theories—asserts that since both civilians and military leaders share allegiance to the same ideological system, conflict should be minimal. Finally, Colton's model stakes out the middle ground, explaining that conflict varies according to the issues involved. The Colton model predicts a conflictual relationship only when the military's "core interests" are at stake; otherwise, the boundaries between civilian and military authorities are far more permeable than those suggested by Kolkowicz.

Herspring acknowledges limited utility in each of the models. For example, he finds the Kolkowicz model most applicable to the early 1920s, when the Bolsheviks sought to control a hostile officer corps by means of political commissars. But Odom's model has little relevance for this period of intense ideological struggle. For the Gorbachev period, the author finds Colton's model with its emphasis on change over time most useful. Indeed, Herspring asserts that Gorbachev's doctrinal shift to a defensive posture caused a critical rift in the military-civilian relationship, since the military considered doctrinal issues to be its exclusive domain.

As for the post-Soviet period, Herspring concludes that no single model currently available will suffice to explain the evolving nature of civil-military relations. Odom's model assumes a unity of values that no longer exists. Kolkowicz's model assumes a cohesive military, but the war in Chechnya clearly reflected conflict within the military itself. Finally, the Colton model assumes a dichotomy between civilian and military core values, when in reality the military's core interests are shifting daily. In his dismantling of these frameworks, Herspring's clearly focused, systematic approach is notable. And despite a sometimes troubling lack of nuanced argument (for example, with regard to ethnic issues in the military) Herspring's assessment of the models in question is fair and well balanced. Furthermore, he has made extensive use of the published record and personal interviews with principal actors to clarify the issues. Extensive notes provide a wealth of English and Russian language sources for those who might wish to purse this subject further. His cross-disciplinary, theoretical approach, backed by the historical record, provides satisfaction for political and military theorists as well as for historians.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Zeroing in on other gaps in the theoretical literature, the author discusses the central role played by military doctrine in determining the nature of Russian civil-military relations, the impact of personalities on institutional interaction, and the importance of cultural norms in the civil-military relationship—all contemporary issues neglected by the classics of civil-military theory. It is disappointing, however, that Herspring has not chosen to test these tantalizing leads or to move explicitly toward constructing a new theory of Russian civil-military relations that would fill in the gaps that he has highlighted with such acuity. While the author subjects the classics of civil-military theory to critical scrutiny and even goes some way toward making his own theoretical contribution, he sometimes appears to be calling the tune without paying the piper.

Of particular note is this book's concluding chapter in which the author reminds us of the limitations inherent in modeling. He cites the often-forgotten dangers of becoming too closely tied to any one paradigm, sounding a cautionary note to those analysts caught in the fray of current post-Soviet affairs: "Whatever variable one selects today could well be irrelevant tomorrow" (p. 192). Change has become the norm, and it is unlikely the world will stand still long enough for traditional methods of modeling to work their magic. But in this well-focused, copiously documented study, Herspring has taken a significant step in providing a new, more useful model with which to analyze the Russian civil-military relationships of tomorrow.

LAURA V. SWARTZ
University of Colorado–Colorado Springs

The Soviet Union and the Vietnam War *by Ilya V. Gaiduk. Chicago, Ivan R. Dee, 1996. 320 pp. $28.50.*

In the large and growing literature on the Vietnam War, one subject that remains conspicuously underrepresented is the international dimension of the conflict. This volume helps to rectify this situation by focusing on the Soviet Union's position on the conflict and on the complex nature of the Soviet-North Vietnamese relationship. Though not a direct participant in the war, the USSR provided Hanoi with substantial economic and military aid as well as propaganda support. At the same time, Gaiduck argues, the Soviets sought to maintain a low profile with regard to the war, "acting behind the scenes and rendering indirect services, avoiding publicity in their diplomatic activities" (p. xi).

The reason for this duality in the Soviet approach to the war lay primarily in the dilemma that Kremlin leaders confronted. For even as they sought to enhance the USSR's position in Southeast Asia and blunt Chinese influence by providing North Vietnam with sizable aid, they also sought to avert a dramatically expanded war that could bring the United States and China into direct military conflict and thereby possibly force the USSR to intervene with its own forces. In addition, Moscow officials were anxious to preserve and continue the tender moves toward détente begun in the aftermath of the Cuban Missile Crisis. As a result, according to Gaiduk, they sought throughout the 1964-1973 period to gain a negotiated settlement in Vietnam, albeit one that would be acceptable to the North Vietnamese. In all this Gaiduk is to my mind quite persuasive, and his argument generally jibes with what longtime Soviet Ambassador to Washington Anatoly Dobrynin earlier said in his memoirs. Gaiduk is also correct to underline the importance of 1964, a year of transition in both the

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

American and Soviet approaches to the war and a time when it was still possible to avoid a major escalation such as occurred in 1965. He argues, again persuasively, that it was not the leadership change in Moscow in late 1964 that caused an intensified Soviet interest in the conflict, but the contemporaneous heightening of tension in Vietnam in the wake of the Gulf of Tonkin crisis. Throughout, the author appears to have made good use of the available Soviet documentation on the conflict, and his analysis of this material is frequently penetrating.

Therein lies also a problem, however, which inevitably limits the potential impact of the book. As Gaiduk is the first to admit, the available Soviet documentary record at the time of writing was exceedingly sparse, which forced him to rely heavily on articles in *Pravda* and on accounts of Soviet policy found in Western secondary sources. More disturbingly, Gaiduk's research in the vast American documentary record appears quite thin, with the result that important developments having to do with the USSR are covered only briefly or not at all. For example, the book does not mention the proposed Soviet-British initiative of February 1965, the Soviet response to which revealed much about Moscow's thinking on the war at that critical time. (The British, co-chairs with the Soviets of the 1954 Geneva Conference, get hardly a mention in the book.) Overall, the book has the feel of something hastily constructed, in part because of some factual errors (William Bundy in February 1965 was an assistant secretary in the State Department, not the Defense Department) and in part because of the sometimes awkward prose and occasional typos. As a nonnative speaker of the English language, Gaiduk deserved a more conscientious copyeditor than he evidently received.

Still, the author is to be commended for tackling a subject that has not received the attention it deserves, and for presenting a definite and cogent argument. His book shows that, notwithstanding the mountain of literature already in existence on the Vietnam War, historical scholarship on the conflict is in many respects still in its infancy.

FREDRIK LOGEVALL
University of California, Santa Barbara

Agenda for Africa's Economic Renewal *by Benno Ndulu, Nicolas van de Walle, and contributors. New Brunswick, NJ, Transaction Publishers, 1996. 246 pp. $32.95.*

This book was produced by the Overseas Development Council, and its essays provide valuable state-of-the-art reviews of current thinking on the most appropriate policies for Africa to follow in macroeconomics, agriculture, industry, human services, and governance. It will be especially valuable for those wanting to orient themselves to the key issues in the continent's current development.

In their introduction Benno Ndulu and Nicolas van de Walle suggest that "a consensus has emerged in the development policy community about . . . the [policy] prerequisites of renewed growth" (p. 3) in Africa. Simply on the evidence of this book, we would suggest that the consensus is deceptive. Important areas of debate remain. No one defends the old economic policies (particularly over-valued currencies and import-substituting industrialization), but the factors that produced them are still evident in some of the debates.

Most significant in this regard is the essay on industrial policy by Sanjaya Lall and Frances Stewart. It is the most interesting in the book, for the authors go beyond the existing litera-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

ture and demonstrate statistically the flaws in the World Bank's 1994 claims regarding structural adjustment's success. To account for the unimpressive impact of structural adjustment, they point to the prevalence in African economies of market failures. These are now widely acknowledged, but Lall and Stewart use them as the foundation for an alternative set of state interventions aimed at creating new comparative advantage through infant industry protection. In rejecting the neoclassical package of the World Bank in favor of structuralism, they have returned to some of the early themes of development economics. They even favor continuation of state-owned enterprises, for lack of appropriate buyers. They differentiate their prescriptions from the failed statist policies of the past by emphasizing the need for macroeconomic stability, export orientation, attention to efficiency, and policies to enhance firm and workforce capabilities. Essentially, they have revised the infant industry argument to meet the macroeconomic consensus of the 1990s.

Their reading of the miracle of the Asian newly industrializing countries (NICs), which they invoke often, is similar to that of early statists. Lall and Stewart do acknowledge the modest capacities of African states and thus promote broad brush policies, as opposed to picking winner firms and sectors. But their optimism that the leaders of African states can or would carry out development policies based largely on efficiency strikes us as naive. They fail to take into account the neopatrimonial, clientelistic nature of African states, which led to politically-motivated economic policies before. They, therefore, do not consider the conspicuous lack of commitment for carrying out developmental policies among African leaders.

In contrast, in their conclusion, E. Gyimah-Boadi and Nicolas van de Walle are not arguing over the package of economic policies best suited to African development. They say they have not dismissed the more interventionist policies of the "structuralists," although implicitly they accept the World Bank's policy package as more consistent with state capacity in Africa. Instead, the authors concern themselves with a second "consensus" issue for African development—the need for a capable development state to carry out the World Bank's adjustment program. Gyimah-Boadi and van de Walle identify three crucial elements of a developmental state: a professional administration, societal legitimacy (that is, support of state by social groups), and political commitment to growth (investment over consumption). They then realistically conclude that most African countries are far from overcoming the formidable material and sociological obstacles to attaining these elements. Thus, taking into account the social structures that have given rise to the neopatrimonial African states, the authors arrive at a more pessimistic conclusion: the African development state is not presently within grasp, and we should not expect economic miracles in the near future. They do manage to find optimism in the potential of strong leadership and democratization (about which we are more skeptical).

Gyimah-Boadi and van de Walle talk about a consensus, by which they mean the state has a role to compensate where markets fail. Lall and Stewart agree, but for them redressing market failure is just the beginning. They also see a role for the state in creating new comparative advantages and even in fostering an industrial sector when the present comparative advantage is in agriculture. Not much of a consensus.

The other chapters in the book can legitimately be said to be part of the World Bank's view of the consensus. They aim to correct market failures (through debt relief, export diversification, enhancement of human capacity, agricultural policies) so that African governments can successfully carry out structural adjustment according to Bank prescriptions. Ibrahim Elbadawi's strong (and in our view, correct) argument for the importance of debt relief goes beyond the position of the Bank, however, as does the willingness of Simon Ap-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

pleton and John Mackinnon to endorse a substantial (although no longer an exclusive) role for the state in education and health. If cautious statists remain in contention with neoliberals and if the neopatrimonial underpinnings of African politics are still unchallenged and dependent on statism, the consensus is superficial indeed.

DAVID K. LEONARD AND ELLIOT POSNER
University of California, Berkeley

Setting National Priorities: Budget Choices for the Next Century *edited by Robert D. Reischauer. Washington, DC, Brookings Institution, 1997. 332 pp. Cloth, $42.95; paper, $18.95.*

Despite the recent bipartisan budget agreement, federal budget deficits promise to be a recurring topic of political debate. This volume from the Brooking Institution is based on the premise that long-run solutions to the deficit problem require hard decisions about substantive policies. The foreword by Brookings President Michael H. Armacost notes that the current political and economic climate provides an opportunity for thoughtful assessment of choices that will have impacts well into the next century.

To that end, Brookings has assembled a set of papers on different policies affecting federal government revenues and expenditures. Following an introduction by Robert D. Reischauer are chapters on economic growth and the budget deficit by Charles L. Schultze; the social safety net by Gary Burtless, R. Kent Weaver, and Joshua M. Wiener; nondefense discretionary spending by Robert D. Reischauer; national defense and international security by John D. Steinbruner and William W. Kaufmann; restructuring medicare by David M. Cutler; tax reform by Henry J. Aaron and William G. Gale; and retirement entitlement by Henry J. Aaron and Barry P. Bosworth.

Each of the substantive chapters emphasizes the need to reconsider the purpose and structure of different programs from a public policy standpoint, rather than focus solely on the bottom line of the federal budget. Each chapter is full of facts and citations to relevant studies and is written in a style that suggests a target audience of professional policy makers and analysts. While the primary emphasis tends to be on the complexity of current programs and the trade-offs involved in any large-scale change, the substantive conclusions are mildly liberal. For example, the chapters on economic growth and tax reform declare that supply side arguments were proven wrong in the 1980s, while the chapter on national security argues that it would be both less expensive and safer for the United States to enter into cooperative agreements with Russia and China rather than try to remain the sole super power. Similarly, the chapter on the social safety net argues that the 1996 Personal Responsibility and Work Opportunity Act will require significant reworking, and the chapter on Medicare argues that many persons are unable to make good health insurance choices without assistance from the government. Nonetheless, all of the chapters are written in a dispassionate tone, and the arguments are clearly set forth so that they provide a useful basis for discussion, regardless of whether one agrees with the conclusions.

While the book is full of useful information and ideas, there are two significant omissions. First, there is very little discussion of the practical politics of implementing any of the policy changes discussed. We are never told much about who can be expected to support or oppose different proposals, and what kinds of coalitions might form. This is understandable, given

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

the apparent target audience. Surely it would be presumptuous for a group of scholars to lecture working politicians on the practical politics of reform.

Second, although the discussion within each chapter emphasizes the need to make tradeoffs and set priorities, there is no overall discussion of strategic priorities across different policy areas. Given that Congress and the president cannot do everything at once, which of the policy areas discussed should be tackled first, and why? The introduction argues that policy makers' energies "should be concentrated on issues that are most consequential of the nation's long-run well-being" (p. 33) and suggests that these are Social Security and Medicare. A concluding chapter providing a more explicit discussion of alternative policy agendas would have been a useful addition.

ROBERT C. LOWRY
Michigan State University

Politics or Principle? Filibustering in the United States Senate *by Sarah A. Binder and Steven S. Smith. Washington, DC, Brookings Institution, 1997. 225 pp. Cloth, $38.95; paper, $16.95.*

Political researchers often emphasize the importance of procedure in governmental institutions. While many have examined legislative processes, few have examined some of the more arcane procedures. This work sheds light on a little understood procedure in the Senate: the filibuster. While concluding that political motivations lie behind filibusters should surprise few, the book's importance is in the systematic analyses employed to arrive there. In refuting five myths about the filibuster, the authors strip senators of many arguments in resistance to reform.

First, the authors examine the claim that the filibuster was "an original feature of the Senate and the essential factor distinguishing the two chambers of Congress" (p. 20). A close examination of potential sources of rules for the two chambers shows otherwise. The authors eliminate the Constitution as a source of authority by noting that it leaves procedural rules to each chamber. Further, the authors not that the Framers' proclivities toward protecting minority interests did not extend to providing them a legislative veto. More importantly, the authors provide a description of a Senate where political forces influenced the elimination of the previous question motion, paving the way for filibusters.

Second, senators often invoke tradition when asked to limit their ability to speak. "Tradition" suggest that activities have become accepted by frequency of occurrence. The authors contend that filibustering, because of variations in the frequency and intensity of its use, might not qualify as a tradition. Additionally, one fails to see wide support for this tradition in the place one might expect—in Senate leadership. Indeed, many "great" senators of the nineteenth century felt that limits on debate would improve the Senate's legislative efficiency.

Third, the authors refute one of the most potent arguments in support of unlimited debate, that senators reserve it for issues of great national importance. The authors observe that this argument relies on the period 1937 to 1967 when Senate conservatives delayed civil rights legislation through extended debate. Binder and Smith demonstrate that this period was not the only one marked by parochial and political filibusters. Also, by examining individual voting on motions to end debate and on cloture reform measures, the authors show

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

that, regardless of the issue, senators vote their political interest on questions of extended debate.

Fourth, Binder and Smith explore the claims that filibusters do "little harm" and serve as "a moderating influence, which ensures that public policy will better reflect the preferences of the popular majority" (p. 22). Again, systematic analysis casts some doubt. Despite difficulty in measuring filibusters, the list of legislation killed or modified by them consists of much that most would consider important. The authors also argue that there is no necessary theoretical connection between filibustering and moderation of legislation.

Finally, the authors take on the most potent argument in support of extended debate in the Senate, that a majority supports it. Unfortunately, save two votes on allowing a simple majority to end debate, there are few direct tests of this. Binder and Smith note, however, that reforms on ending debate have come in small steps, implying that even those who resist reform on principle value the Senate's ability to do its business. They also point to the emergence of expedited procedures as ways for senators to circumvent the principle of extended debate when it serves their political interests.

Binder and Smith prescribe a sliding scale procedure for ending debate. While I agree that their reform might expedite business, I suspect that it will only occur when a Senate majority perceives it as in its parochial interest. Until then, they have provided a very informative piece on the filibuster.

J. MARK WRIGHTON
The University of Texas-Pan American

American Foreign Policy: Carter to Clinton *by John Dumbrell. New York, St. Martin's Press, 1997. 239 pp. $49.95.*

John Dumbrell, senior lecturer in American Studies at Keele University, England, has given us a succinct, readable analysis of U.S. foreign policy for the eighteen years after 1976. His work is not only solidly based on a vast array of primary and secondary sources, but also framed by four themes: the Vietnam War's ghost that continues to haunt Washington officials; the effects of the cold war's acceleration after 1979 and its sudden disappearance after 1989; the manner in which the Vietnam and cold wars led to the erosion of controls on decision makers, who "failed to respect the claims of democratic and accountable foreign policy" (p. 193); and arguments over the nature (or reality) of American decline.

The book works well at many levels, On one, it is a clear narrative of recent U.S. foreign policy that focuses on elite officials. There are important references to, but little development of, cultural and economic expansionism. On another level it is opinionated and critical. Jimmy Carter's place in history is summarized by a quote from his reelection campaign chairman, Robert Strauss: "Poor bastard—he used up all his luck getting here" (p. 33). Ronald Reagan is noted for his ability to make contradictory statements (the Soviet threat is pressing in dangerously from Central America, the Soviet Union is about to disappear into history's dustbin) and to reassure Americans about their ability to halt U.S. decline. But in the end, "he neither restored consensus nor expunged the legacy of Vietnam" (p. 126). Nor did Reagan's military budgets and Strategic Defense Initiative play major roles in destroying the Soviet Union. It was, instead, his openness to post-1985 Soviet change and his willingness to reduce nuclear arms that made him important in the USSR's collapse.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

George Bush, "in many respects . . . was far and away the most successful foreign policy President of the post-Vietnam War period (p. 173). Dumbrell faults Bush, however, for his handling of Mikhail Gorbachev as he weakened in 1990-1991. The president and his team, moreover, "were frequently secretive, unaccountable and contemptuous of Congress" (p. 175)—a fault that helps explain whey Bush did so little in creating a post-cold war foreign policy consensus. Only Bill Clinton's 1993-1994 record is considered and thus, not surprisingly, found inadequate in either generating a new policy vision or a domestic consensus.

Of the four themes, the analysis of American decline is least systematic. The account, moreover, could have explained more fully why the mid-1970s is indeed a most instructive place to begin this story. U.S. policies of the late 1990s have been shaped by the events of 1971 to 1976, not least because those events accelerated Soviet decline and created a new world with which Americans came to terms more successfully than did their political and economic competitors. In all, this volume's timespan, the development of at least three major themes, and its informed narrative make the overall analysis important and provocative.

WALTER LAFEBER
Cornell University

Democracy and Development in Africa *by Claude Ake. Washington, DC, Brookings Institution, 1996. 173 pp. Cloth, $36.95; paper, $16.95.*

The late Claude Ake was a major analyst of African political economy, a scholar-activist from Nigeria whose writing always stood out—never pedantic or verbose, both analytical and accessible, and above all, crystal clear. This volume manifests all those attributes.

Ake takes on the major questions facing Africa today. Will there be democracy? Will development occur? Ake minces no words. Development has not failed so much as it has not been tried. The development project has been hijacked by a thoroughly undemocratic elite that has "privatized" the state to the point that state offices are used almost exclusively for personal and group advance. Getting beyond this dead end, according to Ake, requires reforming the state and putting development back on the agenda, which can only be accomplished by a decentralized and participatory democracy.

The volume is broken into five chapters. The first, "The Development Paradigm and its Politics," is one of the most compelling brief analyses we have of Africa's contemporary dilemma. Its content sets up the discussion that follows in later chapters. Ake argues that the colonial African state was highly statist, perhaps more so than all other modern colonial states. It was both absolute and arbitrary, and the rule of law was notable by its absence. The postcolonial situation was not unlike its colonial predecessor—statist, often violent, with a very narrow social base. There was no serious attempt by the postcolonial state to broaden its social base while the nationalist coalition quickly unraveled. Politics became a crude struggle for state power with elites burdened by siege mentalities using ethnic ideologies to obscure growing class divisions. Institutions of the state grew weak and ineffective. The real power structure was informal and dominated by kinship groups camped on state offices impervious to demands for accountability. Into the development vacuum of domestic politics, Western donors and creditors provided a development agenda. The ideology of development-as-universal ran roughshod over local culture while appearing to harbor the secret of catching up with the developed world. It also afforded a powerful argument for national

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

unity. Political oppositions were subordinated to development rhetoric and criminalized. In the process, the national elites internalized a negative self-image long nurtured by colonialism. Everything foreign seemed just a bit better.

Subsequent chapters discuss competing development agendas with the dominant, but failing World Bank and donor neoliberalism, on the one hand, and, on the other hand, more Africa-focused elite variants illustrated by the Lagos Plan of Action. The cases of Nigeria and Tanzania are used to illustrate failing agricultural and industrial development policies. So-called blocked options for development are discussed and dismissed, yielding to Ake's vision of democratic development. This vision of Africa's future is decidedly not the much discussed newly industrializing country model; the model is not democratic, and authoritarian African states have not been developmental. Nor is it the timid halfway house of Western liberal democracy. It is a far more thorough-going democratization of the entire political economy.

The volume is a tour de force, at once deeply critical, visionary, and empirically well-grounded. But two questions come to mind. One is the question of what social forces are willing and able to move Ake's reform agenda. Ake takes heart in the stubborn dynamism of Africa's democracy movements despite the extremely shallow transitions to democracy to date. But while the surge of civil society is evident across the continent, it is inevitably deeply divided within itself and not well articulated with floundering political parties in advocacy of a radically reformed and democratic state. Secondly, there is a tension between Ake's harsh criticism of political elites who have effectively abandoned development aspirations in their struggle for power and his assertion that these elites have consistently embraced, and at times even tried to implement, an Africa-focused development path. The image of fierce political warriors in the first observation sits uneasily with the more purposeful policy makers of the second.

This volume deserves to be widely read and debated.

FRANK HOLMQUIST
Hampshire College

The Politics of Expertise in Congress: The Rise and Fall of the Office of Technology Assessment *by Bruce Bimber. Albany, State University of New York Press, 1996. 128 pp. Paper, $15.95.*

There is little evidence beyond some surviving skeletons and dissociated bones on which to base a history of the 170 million-year life cycle of the dinosaurs. But nevertheless, the published literature is extensive, albeit based in important measure on circumstantial evidence and extrapolation from creative conjecture. Few will claim that there are significant practical lessons to be learned from that history. On the other hand, there is much important material available from the twenty three-year life cycle of the Office of Technology Assessment (OTA): its genesis, development, and extinction in 1995. And there are useful lessons to be learned from its rapid rise and fall. Bimber has thoroughly researched documentary material and has interviewed many of the dramatis personae. The product is a slim volume that documents the history and presents lessons of practical value to politicians, politically-minded scientists, congressional staff, and scholars.

Congress's purpose in creating the OTA was to provide for itself a source of neutral and reliable information on scientific and technical matters that have a bearing on issues of

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

broader scope. Thus it would be supportive of the principle enunciated by Thomas Jefferson, according to Bimber, that "Democratic public policy must indeed stand upon a foundation of the public will, even when it also demands special expertise thought to be beyond the reach of the public" (p. ix). The main purpose of Bimber's book, according to the author, "is to offer an explanation for one kind of variation in patterns of politicization and neutrality on the part of experts" (p. 5). His primary premise is that in political matters information is a relative term, inextricably influenced by the policies and objectives of the recipient politician.

The OTA, with its many masters of both parties had a tradition and practice of neutrality. It presented alternatives rather than recommendations. It proved useful and survived under Emilio Daddario, and longer under John Gibbons, because of that neutrality. But for that very reason and because the gestation period of its reports was so long, it had many admirers but few sturdy supporters when the Republican achievement of control of Congress produced a surge of economy measures. Neutrality and virtue are often praised but less often supported.

Though generally thorough and reliable, Bimber errs in his description of the origin of the President's Science Advisory Committee (PSAC). It was not modeled on the Council of Economic Advisers, as he puts it, but, as chronicled by Detlev Bronk and by William Blanpied and others, follows exactly the structure recommended to President Harry Truman by his special adviser in December 1950 and promptly approved by him and put into effect, albeit in a somewhat diluted form via the Office of Defense Mobilization (ODM) after protestation by General Lucius Clay, head of the ODM. Clay did not want another body reporting directly to the president, but compromise accorded it an optional direct channel. Later, spurred by Sputnik and the concern of the American public, President Dwight Eisenhower, on the recommendation of I. I. Rabi and other members of the Science Advisory Committee of the ODM, appointed a President's Science Advisory Committee (PSAC) reporting exclusively to him, as prescribed in the Truman-approved report of 18 December 1950.

Bimber, an electrical engineer, is an assistant professor of political science at the University of California at Santa Barbara. With his practical approach he recognizes that "the politician does not seek knowledge in order to know, but in order to do." And he also generalizes that "the greater the centralization of power in an institution, the greater the degree of politicization of supporting expertise" (p. 23).

The book's recounting of the origins and evolution of the congressional considerations leading to the creation of the OTA provide a useful, concise history; and its descriptive overview of OTA's structure and functioning contributes reliable guidance for the future. Lamenting the demise of OTA, the author concludes that in its absence, Congress will rely increasingly on experts selected for their stakes in the outcome of the issues on which they advise.

Twenty-eight pages of appendices include appropriate scholarly notes, a well selected bibliography, and a useful index.

WILLIAM T. GOLDEN
American Museum of Natural History

Second Coming: The New Christian Right in Virginia Politics *by Mark J. Rozell and Clyde Wilcox. Baltimore, Johns Hopkins University Press, 1996. 304 pp. $32.95.*

Over the past several decades, the Christian Right has been the subject of much scholarly attention. In *Second Coming*, Mark Rozell and Clyde Wilcox provide an in-depth analysis

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

of the Christian Right and the Republican party in Virginia, particularly during the 1990s. While the focus of the study at first glance might appear to be relatively narrow and distinctively unique (given the presence of Jerry Falwell and Pat Robertson within the state), there is much to commend with regard to the book. The study draws upon more than 100 in-depth personal interviews with Virginia Republican and Christian Right leaders and activists as well as upon a variety of mail surveys, including delegates to state Republican conventions, members of the Fairfax county Republican committee, and members of the Republican central committee. In conducting their analysis, the relationship between the Christian Right and the Republican party in Virginia is analyzed in a balanced, sensitive, and insightful fashion. Not only do the authors explore the various facts by which the Christian Right might be understood (for example, as a political movement, as an interest group, and/or as a party faction), but they analyze the tensions evident between the more pragmatic and the more purist segments of the Christian Right.

Importantly, this study shifts the focus of analysis of the Christian Right away from describing its characteristics or assessing its influence (or lack thereof) on certain facets of American politics. Instead, the study focuses more on how the Christian Right may have changed over time and how its political engagement over the past years may have changed the Christian Right itself. In its second coming, organizations of the Christian Right, such as the Christian Coalition, and activists within them have sought to learn from the failures of its first incarnation as the Moral Majority. Accordingly, messages have become more mainstreamed, as policy positions are more likely to be justified by secular rather than by religious arguments in public settings. Attempts to broaden the coalition are more likely to be made. And compromises on key issues are more likely to be advocated. In so doing, the authors contend that "the Christian Right has altered its strategies in the 1990s and has emerged as a more effective political force in the process" (p. 90).

CORWIN SMIDT
Calvin College

Medicaid and The Limits of State Health Reform *by Michael S. Sparer. Philadelphia, Temple University Press, 1996. 201 pp. Cloth, $54.95; paper, $19.95.*

Medicaid is the largest, most complex, and most poorly understood program the American intergovernmental system operates. The federal government pays most of the program's expenditures, but states have considerable discretion in determining what is paid to whom for what services to which clients. This complexity has frustrated scholarly attempts to make sense of the political, economic, and policy factors that underlie program spending. Analysts have documented enormous disparities between states in services, coverage, and program spending, but have done less well at producing consistent explanations of these differences between states or in explaining the large differences across states or over time in program growth.

Michael Sparer's book, which compares Medicaid programs in New York and California, presents a considerable advance in explaining why Medicaid is so different in different states. New York spends more than twice as much per Medicaid recipient as does California, despite only marginal differences between the two states in wealth, supply of providers, and other variables frequently invoked to account for disparities in Medicaid spending. The ori-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

gins of this disparity, Sparer argues persuasively, lie in the political environment that surrounds Medicaid. He develops this argument through carefully crafted case studies, which compare the evolution of Medicaid politics and policy in New York and California in nursing home and hospital reimbursement, home care, and Medicaid managed care.

The differences between the two states are striking. In California, a Progressive organizational tradition, early decisions about the organization of Medicaid, and gubernatorial emphasis on cost containment have produced a centralized decision-making structure in which state bureaucrats exercise autonomy over provider reimbursement and service utilization. Interest groups and their legislative allies participate minimally in Medicaid policy making and have limited leverage over bureaucratic decisions. The results have been decision-making processes that maximize state control over rates and utilization, minimize regulation, and emphasize low spending at the expense of access and service quality.

New York could not be more different. Bureaucratic jurisdiction over Medicaid has been until recently fragmented between several departments. Control and financial responsibility are divided between state and county governments, and important reimbursement and utilization decisions are made by the legislature. As a result, Medicaid bureaucrats have little autonomy over rates and utilization, but negotiate policies in settings in which interest groups and their legislative allies, who have little interest in restraining spending, exercise considerable influence. This pattern of politics produces higher spending and more regulation than California.

Sparer examines the consequences of these findings for proposals to increase states' role in health policy. He argues these proposals are misguided. State systems for making health policy are not more accountable or responsive than the federal process. For good or ill, states are largely captives of their own environments and budget situations. Delegating authority to states will likely produce even larger disparities in coverage and access than currently exist under Medicaid. Federalism is a strong American value, but so is the notion that the health care available to sick people should not be a function of where they live.

While hard-core federalists will dispute Sparer's policy conclusions, it is difficult to find fault with his larger argument. The case studies that provide the core support for his thesis are unusually well done, and their cumulative impact is persuasive. State policies are not passive reflections of either economic factors or interest group influences, but are independently and strongly influenced by how states organize and conduct their public business. Politics does matter, after all.

JAMES W. FOSSETT
State University of New York at Albany

Whose Welfare? AFDC and Elite Politics *by Steven M. Teles. Lawrence, University Press of Kansas, 1996. 226 pp. $29.95.*

It is tempting to evaluate a book on welfare written in 1995 by the sole criterion of whether it predicted that the following year President Bill Clinton would sign new legislation that entirely replaced the sixty-year-old Aid to Families of Dependent Children (AFDC) program. A last chapter titled "Missed Opportunity . . . Collapse of the Clinton Welfare Plan" makes it seem that Steven Teles missed the call. The Clinton administration, he wrote, had a rare chance to comprehensively reform welfare but blew it by being insufficiently bold and delaying too long.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

But what, then, can we make of the new Temporary Assistance to Needy Families (TANF) program? Is it the work-oriented comprehensive reform that Teles thought was lost? Or is TANF, devolved to the states, another animal entirely? By stirring such questions, the contemporary value of this book is that it can nourish the current policy arguments set off by TANF and its state flexibility, mandatory work requirements, deadlines, fiscal caps, and repeal of entitlement.

The research makes a significant contribution to the policy history of the AFDC program. Teles's material is well detailed and honed, his perspective is multi-angled, and his lines of inquiry get to the heart of the issues. Some of the material is new and incisive, for example, on the use that the first Clinton administration made of executive waivers to grant state decentralization in the federal program. Also, the section on Nixon's Family Assistance Plan (FAP) makes the over-looked case that opposition from the welfare rights movement contributed to its defeat, because liberal supporters "did not realize that FAP went as far, perhaps farther, in the liberal direction as the politics of the situation would permit" (p. 94).

The book's main theoretical argument is that to become an accepted and stable part of national government, new social policy must embody a consensus of cultural values. It suggests that policies that remain disputed over time can undermine public respect for government, because elites cannot adjust the policy to produce consensus. Teles perceives that unlike other parts of the original American welfare state, the AFDC was perpetually politically contentious. He develops the theory of dissensus to explain such outliers. He traces the prolonged controversy on AFDC to its legislative substance; its focus on family, work, and personal responsibility; and, specifically, its support for single mothers to avoid working and stay at home, a moral value that lost public opinion after large numbers of women entered the formal workforce in the 1970s.

Teles offers several policy recommendations that in some respects do presage TANF, particularly work combined with short-term income insurance for unmarried mothers. He also adds explicit and pungent criticism of intellectuals in the elite decision-making process. The responsibility of at least the mass of intellectuals , he asserts, is a reformist and reconciling role rather than an exclusively critical one.

Methodologically, the research is an attempt at synthesis and is solidly presented. It is theoretical, empirical, value-explicit, realistic, historical, contextual, institutionally astute, and prescriptive. The book tries to be and could become part of a new consensus on the public role toward work, welfare, children, and unmarried mothers. It is likely, however, to be more provocative than definitive, given the bumpy terrain that still typifies the field of welfare policy. With TANF, dissensus has devolved to the states, and dissension may ever be in policy details, given the context of large inequalities in the U.S. socioeconomic system.

DONNA WILSON KIRCHHEIMER
City University of New York–Lehman College

Eisenhower and the Missile Gap *by Peter Roman. Ithaca, NY, Cornell University Press, 1995. 208 pp. $36.50.*

This relatively brief book combines outstanding research and keen insight to provide the most complete and accurate historical picture to date of the missile gap—that period in the

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

late 1950s and early 1960s when it was believed that the Soviet Union would have nuclear superiority over the United States.

Roman begins by placing the missile gap debate, and Eisenhower's response to it, within a scholarly context. The succeeding four chapters trace the Eisenhower administration's policy-making process throughout the crisis, from late 1957 to the presidential election of 1960. In the process, Roman ranges from history to political science to provide the level of analysis that can only emerge from such an interdisciplinary approach.

Force structure was central to Eisenhower's conception of the missile gap threat. Roman's observations on the motivations of several important players, especially Senator Stuart Symington of Missouri and his frequent adviser and one-time assistant, Thomas Lanphier, are particularly important. Noting that Eisenhower's famous warning about the "military-industrial complex"was likely a reference to Symington and Lanphier, Roman shows how the two men worked together to push the Eisenhower administration toward adopting a crash-program to build first generation, liquid-fueled ICBMs. Lanphier's company, Convair, stood to gain millions from such a program, and Symington's harsh criticism of Eisenhower under the rubric of the alleged missile gap is appropriately shown in this context. In spite of the criticism, however, Eisenhower stood his ground and decided instead to proceed with the solid-fueled Minuteman and Polaris programs at an accelerated but deliberate pace. While sympathetic Eisenhower revisionists credit the president for resisting further increases in defense spending based upon his knowledge of intelligence from the secret U-2 program, Roman shows that Eisenhower expanded strategic forces because intelligence was inconclusive, and he faults him for not assigning a higher priority to nuclear arms control.

Roman portrays an active, hands-on president who exerted great control and influence within his administration, but he does consider the role played by other key advisers during the policy-making process. Notably, Roman stresses that John Foster Dulles had begun to harbor doubts about the viability of extended nuclear deterrence in Europe, and on several occasions urged a strengthening of conventional forces. In the end, however, Dulles failed to articulate an acceptable alternative, and Eisenhower and his administration remained publicly committed to massive retaliation.

There are problems with Roman's approach. By ascribing to Eisenhower personally so central a role within his own administration, researchers have likely understated the myriad other individuals and institutions that were involved in the formulation of defense policy. Take, for example, Eisenhower's belated attempt to control "overkill" in the nuclear arsenal. When Roman builds upon David Rosenberg's studies of the Single Integrated Operational Plan (SIOP) to show how a process that was intended to reassert rationality to strategic force planning resulted in something completely different, the reviewer is struck not by Eisenhower's power and influence but rather by his impotence.

Eisenhower lost the public relations battle over the missile gap, in part because of his inability to control the policy-making process. Roman contends that National Security Council meetings helped to unite officials behind Eisenhower's policies, but his narrative suggests otherwise. Most notably, a number of disgruntled military leaders circumvented official channels to call for major changes in force structure. These men were joined by Eisenhower's critics in Congress and the media, who never shared the president's concern for controlling defense costs, and they all used the missile gap myth as cover for attacking Eisenhower's strategic vision.

None of these criticisms, however, detracts from the work as a whole. Roman has energized the scholarly debate over this episode in recent history through meticulous research

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

and perceptive observations. Future studies should consider the motivations of those politicians and journalists who manipulated and perpetuated the missile gap myth for personal gain. In the meantime, this excellent work should serve as the essential starting-point for all future studies of the missile gap.

CHRISTOPHER PREBLE
Temple University

The Cold War and Soviet Insecurity: The Stalin Years *by Vojtech Mastny. New York, Oxford University Press, 1996. 285 pp. $30.00.*

Vojtech Mastny has written an uneven and curious, yet suggestive and interesting book about Soviet foreign policy and the origins of the cold war. He argues that the Soviet sense of insecurity was the primary cause of the cold war. The Bolsheviks were insecure because their revolution never had the support of the people and they were acutely aware of this elementary fact. Communist ideology reinforced the Bolsheviks' insecurity because it presupposed a hostile capitalist West intent on destroying the newly formed Soviet Union. The insecurity was personified in the paranoid character of Josef Stalin, who was haunted by fears that even his closest accomplices would betray him. Given these multiple sources of insecurity, there was no way the West could allay Soviet fears. The roots of the cold war, argues Mastny, "were domestic and ideological. Rather than sharing with his people relief at the end of their wartime suffering, Stalin saw a threat to his tyranny in their expectation of a better life. He needed to justify it by convincing them that they remained surrounded by enemies" (p. 24).

This interpretation, of course, is one of the oldest explanations of the cold war. To support it, Mastny uses some new archival evidence and relies heavily on the conference papers written by other scholars who have been laboring to gain access and explain the new documentary record. Overall, Mastny is not impressed by the significance of the new documents. "Perhaps the greatest surprise so far to have come out of the Russian archives is that there was no surprise: the thinking of the insiders conformed substantially to what Moscow was publicly saying" (p. 9).

As Mastny sees few surprises in the archival record, readers of his previous books and articles will see few interpretive surprises in this new volume. But that does not make it any less interesting. Mastny presents useful information on the consolidation of Communist power in Eastern Europe; Western subversive action in the region; the purges in Czechoslovakia, Poland, Hungary, and Romania; Sino-Soviet interaction during the Korean War; and the machinations of Stalin's subordinates during the last months of his life. There is an interesting concluding chapter on the evolution of policy in the immediate aftermath of Stalin's death.

In a book on the origins of the cold war, the focus of Mastny's analysis sometimes seems strange. More time is spent on Albania than on NATO; more on the purges in Prague and Budapest and Warsaw than on the reconstruction and rearmament of West Germany. Mastny stresses that initially Stalin had no plans to communize Eastern Europe and no desire for a rift with the West. Why, then, did Stalin alter his orientation? The few pages that Mastny spends analyzing these matters hardly seem sufficient.

Mastny's portrait of Stalin and his regime is suggestive. The Soviet Union, he stresses, was both much weaker and more evil than Westerners imagined at the time. Stalin grasped

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Soviet vulnerabilities and did not wish to overstep "the limits" (p. 191). But crises emerged because Stalin was prone to miscalculate his own strengths and his adversary's weaknesses. These miscalculations stemmed from "ideological preconceptions, which postulated the ultimate victory of [his] system despite temporary setbacks" (p. 191). The result was a foreign policy filled with "illusions and wishful thinking" (p. 193). Quoting the Norwegian historian Odd Arne Westad, Mastny concludes that Stalin's foreign policy was not so much "inexplicable in its parts as incoherent in its whole" (p. 193). But the wholeness of Soviet foreign policy, whether coherent or not, will not be elucidated until historians examine how external threats and systemic opportunities interacted with ideological presuppositions, regime type, and personal paranoia. Mastny does a nice job outlining the latter factors but gives short shrift to the former.

MELVYN P. LEFFLER
University of Virginia

The Workers' Movement in Russia *by Simon Clarke, Peter Fairbrother, and Vadim Borisov. Aldershot, England, Edward Elgar, 1995. 431 pp. $79.95.*

On 26 March 1997, as many times before, the FNPR—the Federation of Independent Trade Unions of Russia, descendant of the Soviet-era state-controlled union organization—held yet another day of nationwide protest to no major effect. The main complaint was wage arrears, running into many payless months; the turnout was uninspiring, the results minimal. It had, much like previous protests the authors address, "no more significance as manifestations of the power of the working-class than the traditional May Day demonstrations that they have replaced" (p. 407).

Labor in the new Russia—the "workers movement," as the authors would prefer—is in trouble. It is divided, frustrated, and anything but powerful. The huge fall in Russia's industrial production since 1990 is not the result of combative, organized militancy or of the voluntary withdrawal of labor power. Its multiple causes have in fact left traditional labor marginalized and unable to bargain hard to increase its economic take, and largely defenseless against a lack of regard, which has made for short time, involuntary furloughs, payless paydays.

Whether one is inclined to view this as an unavoidable aspect of Russia's especially painful transition (versus the expectably smoother progress of Poland, Hungary, the Czech Republic) or as moral drama, it is a scene made grim by its protraction and depth. Clarke and Fairbrother, of the University of Warwick, and their Russian collaborator Borisov—all three veteran observers of the post-Soviet labor scene, all three on the left side of the political spectrum—provide here a strikingly rich and detailed view of the emergence and operations of the major independent labor unions in the period from late Gorbachev through the fall 1993 political crisis. Only a rather small number of close observers of the Russian labor scene are familiar with the critical 1989 coal-field strikes, the "Kuzbass Regional Council of Workers' Committees," and the NPG (Independent Union of Miners) that had their roots in them, FPAD (the Federation of Unions of Air Traffic Controllers), and other acronyms. Readers will find here comprehensive discussions of the origins and activities of these bodies; their rivalries with the "official" trade unions before and after the Soviet collapse; exhaustive treatments of internal dynamics, personalities and rivalries (with a wealth of infor-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

mation in the notes). "Transitologists" and post-Sovietologists of more general interests will find an unfamiliar world detailed here in depth, along with information and insights into the complicated story of labor's multiple roles in the drama of Russia's painful course of political and economic change.

The factors that combine to make labor politically and socially weak are likely to endure for some time, given the incompleteness of some aspects of Russia's transition. The authors' left sympathies are more evident in their asides— "that great democrat Ronald Reagan" (p. 340); a Russian government "not so crazy as to [privatize air traffic control] unlike John Major," (p. 384)—than in the main argument. They focus squarely on some of the crucial problems in their conclusion. With the geometry of interests still resisting shaping into a clear labor-business-government trilateralism, both FNPR unions and the independents often represent not workers vs. managers, but one branch's or sector's interest vs. the rest, collaborating with management in advancing claims on the government. The peculiarities of Russia's privatization programs—remarkably successful in shifting the labor force out of the state sector—have themselves contributed to this complicated situation. The authors provide a guide to the labor side of the complexity that will be of value both to those who share their political perspective, and to those whose views align them with the advocates of shock therapy.

WALTER D. CONNOR
Boston University

Tattered Banners: Labor, Conflict, and Corporatism in Postcommunist Russia *by Walter D. Connor. Boulder, CO, Westview Press, 1996. 231pp. Cloth, $69.00; paper, $19.95.*

The labor movement in Russia after the implosion of Soviet power in 1991 has been indicative of widespread disorganization and immobility. Outside a handful of strategic sectors, most notably the coal industry, the activities of trade union organizations have been relegated to isolated strikes, severely weak bargaining positions, even indifference from its own members. Although the abysmal state of economic affairs in the recent past (most notably the crisis of nonpayments) has prompted hunger strikes and walk-outs, the short-term prospect for an active and organized labor movement in Russia appears quite remote.

Scholarly output on Russian labor politics these last years attracted only a handful of serious researchers. Other scholars are captivated by the more "fashionable" aspects of inquiry like the role of managers, privatization, and emerging markets. Yet a number of fine studies focusing on enterprise level, shop-floor politics have been written, the best work being penned by Simon Clare, Michael Burawoy, and Stephen Crowley (the first two, interestingly, not trained as Russia scholars). Walter Connor's empirically rich new text is a fine complement to these works, although far less adept in its application of social science theory.

Connor, a political sociologist with a long history of writing on Eastern Europe and the former Soviet Union, documents the activities of the Russian labor movement, focusing primarily on the years 1991–1993. He skillfully covers in the central chapters the role of tripartite bargaining structures, the activities of the FNPR (the all-Russian successor to the Soviet trade union confederation), the organization of other independent unions, and the larger political context. The final chapter broadly covers Russian labor politics through 1995 and makes tentative predictions about labor's role in the future.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

The picture Connor paints is justifiably bleak. Tripartite structures were in many ways doomed from the outset, as both employers and trade unions only superficially represented their constituencies, lacking distinct and coherent economic interests to rally behind. New independent trade unions were intrinsically weakened as the vast majority of workers remained institutionally tied to the FNPR. Finally, the dismal state of the economy and the rapacious antics of the managerial strata (often swindling unknowing workers of shareholding rights) further exacerbated the already problematic state of affairs.

Connor's thorough documentation of the myriad players and events is helpful in disentangling the sometimes confusing post-Soviet labor narrative. In this way, the book stands as a resource for the period. The only real empirical quibble is his failure to elucidate the international context, particularly the unseemly role played by the international section of the AFL-CIO, which engaged in implicit red-baiting, refusing to support independent trade unions that worked in any fashion with the FNPR.

As a guide to apprehending larger theoretical areas of concern, however, the book falls short. Connor falls in line with the traditional social science imperative to use theory (no matter how promiscuously and incoherently) to acquire some purchase on politics and society. He thus lays out in painstaking detail Phillipe Schmitter's classic 1974 essay on corporatism as well as the various discussions of so-called transitions theory. However, a nuanced argument such as Schmitter's, wherein societal and state corporatist models are embedded in particular historical and cultural contexts, or transitological theses that address modes of disengagement from the state or various state-societal pacts, only in the most superficial sense apply to current Russian realities. Ultimately, Connor would have been better served jettisoning the *de riguer* overtures to theory and limiting his study to the important empirical questions he skillfully details.

LEONARD BENARDO
Open Society Institute

Life and Terror in Stalin's Russia: 1934–1941 *by Robert W. Thurston. New Haven, Yale University Press, 1996. 296 pp. $32.50.*

This unusual book on "High Stalinism" in the Soviet Union is likely to intrigue readers, both because of its ambling, digressive style of writing and for its content. In the past two decades, a number of scholars have adopted what has been called the revisionist approach to Soviet history, in contrast to the traditional top-down view of Soviet politics. Instead, these historians emphasize the role of local pressures and social groups in shaping events. Thurston's argument takes issue with the notion of Stalin as an all-powerful dictator and offers a contribution to an enduring controversy: How can we reconcile the notion of popular participation in carrying out Stalin's will with the reality of the police terror and forced labor camps of the 1930s? In making his argument, Thurston distinguishes himself from other social historians in his unconventional approach to the historical sources and in the audacity of some of his claims.

Thurston draws on archival evidence gained from recent research in former Soviet archives in order to examine some of the essential contradictions and complexities of Stalinism. He argues that Stalin was compelled to respond to unfolding events and that he had some societal support from below, on which he depended for his regime's stability. For

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Thurston, the USSR in the 1930s was far from a flatly monolithic totalitarian society: Stalinism was characterized by lively political struggles, possessed support from key sectors of society, and even featured a partially successful official campaign for a visible public display of attention to law and order. The book is notable for its juicy details of cat-fighting between prominent Bolshevik leaders, as well as its abundance of anecdotes about daily life of ordinary citizens living through a tumultuous period of history. The book includes ruminations about some of the contentious issues of the history of Stalinism, such as the ongoing debate over the murder of Leningrad Communist party leader Sergei Kirov in 1934. Thurston paints a picture of a decade in which secret police agents were capable of leniency as well as sheer brutality and in which many citizens were still bold enough to express grievances about their working conditions.

The book contains some weaknesses. The first is that Thurston arguably devotes more attention than necessary to refuting the notion that Stalin was a methodical dictator who elaborately masterminded all aspects of the terror. This preoccupation with debunking sometimes obscures the reader's view of what exactly Thurston is arguing *for*. As the author himself notes, even an author of mainstream classics of Sovietology, Merle Fainsod, presented an extremely complex picture of the sources of Stalin's power, rather than a crudely phrased version of totalitarianism. In fact, much recent historical work on the Stalin period has moved toward a sophisticated and nuanced view of the state-society relationship. Yet the self-consciously iconoclastic style of writing in the book sometimes prevents it from delving deeply into some of the ambiguities and chaotic patterns that it reveals: the reader sometimes longs for more analysis of the odd juxtapositions and idiosyncrasies of Stalinism.

The second problem is that rather than developing a systematic argument sustained over a time period, the book jumps, sometimes quite abruptly, from one topic to another without always clearly linking smoothly the various segues. The book works more effectively if it is seen as a series of essays and vignettes on a common theme, rather than as a sustained monograph.

Partly for these reasons, non-Soviet experts might find the book a little difficult to follow. Although the archival material and stark arguments of the author will make the book provocative reading for Soviet specialists, a more systematic and critical discussion of how the author selected his sources would have been a welcome addition. Nonetheless, the book is stimulating, even entertaining, and it certainly raises ample food for thought.

ANDREA CHANDLER
Carleton University, Ottawa

Politics and Symbols: The Italian Communist Party and the Fall of Communism *by David I. Kertzer. New Haven, Yale University Press, 1996. 224 pp. $25.00.*

David Kertzer has written a fine analysis of the problems involved in the passage from the Italian Communist party (PCI) to the Democratic Party of the Left (PDS) in 1991. The challenges facing Achille Occhetto, the party secretary, were daunting. As Kertzer points out, no party was more conscious of the symbolic value of its history or had militants whose very political being was summed up in the word *comunista*. For decades the life of the members revolved around the local party sections, the local *Unità* festival, and party congress. This activity was legitimized by linking it to the struggles of the past: Antonio Gramsci, Palmiro

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Togliatti, the resistance, and the cold war battles against America. Thus, much rode on the very name that Occhetto was determined to change.

Drawing on the theories of Pierre Bourdieu, George Mosse, and others who stress the importance of symbolism in politics, Kertzer focuses on the act of naming as one of the key sources of power and legitimacy. He argues that groups form and act in history by creating a version of their past. The contrast between the symbolic and real is artificial because "the real in fact involves the manipulation of symbols as much as the symbolic, and the symbolic itself is not without its material consequences" (p. 154).

When Occhetto embarked on the project to rename the PCI, he was in fact dismantling a quasi-religious enterprise with its own calendar, rituals, rites, and symbolic holy places. In an interesting historical section, Kertzer traces the way that the party carefully manipulated its past as it shifted from idolization of Stalin to the new realities after destalinization and the Soviet invasions of Hungary and Czechoslovakia. In the process, the PCI became more and more attached to its own history and ideology—a sort of good (Italian) versus bad (Soviet) communism. However, the core value of the party name and history only increased as these various revisions were undertaken, which only complicated Occhetto's task. The opposition, which eventually seceded to form the *Rifondazione comunista* party, was able to dominate the emotional debate at the two congresses in 1990 and 1991 that eventually ratified the changes.

Several things saved Occhetto. The PCI was changing dramatically during the 1970s and 1980s, as the generation that fought in the resistance and founded the "new party" after 1945 passed away. The old Communist subculture was disappearing under the impact of television culture and mass consumerism. Even more important was the upheaval in Italian political life that paralleled the transformation of the PCI and led political opponents of the center and left to accept the abandonment of "communist" by the PDS. The new Democratic Party of the Left benefited from the collapse of the Christian Democratic party and the Italian Socialist party in the scandals of 1992 and 1993. Within a few years after the renaming of the PCI, the Catholic party and the neofascist Italian Social Movement went through similar traumatic name changes.

Kertzer's analysis works extremely well when he applies it to the internal history of the PCI and to the psychological world of its long-time members. There are even echoes of Renzo De Felice's recent polemics against the Communist manipulation of the resistance in Kertzer's analysis, although he would certainly reject De Felice's revisionist conclusions. This is an intriguing, well written, and provocative book that deserves to find a readership beyond specialists in Italian history and politics.

ALEXANDER DE GRAND
North Carolina State University

The Balance of Power: History and Theory *by Michael Sheehan. London and New York, Routledge, 1996. 226 pp. Cloth, $59.95; paper, $16.95.*

"The balance of power principle has been central to both the study and practice of international politics for three centuries," Michael Sheehan writes in his preface. "For many analysts it comes closer than any other idea of being the guiding principle behind international politics." Sheehan goes on to say that his book attempts to give an explanation of the com-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

plexity of the balance principle and practice in history and to introduce the reader to the vast literature on the subject. Despite the abundance of definitions and analyses provided by historians and political theorists, he believes the balance of power idea remains surprisingly nebulous because it has been given so many different meanings. It is, therefore, difficult "to reduce the concept to its essence, to provide a clear explanation of what the phrase 'the balance of power' does or does not mean." But he then goes on to say that "in an important sense, this effort is not necessary, indeed, it would be counter-productive" because "one of the most important features of the idea's history is that it has had so many meanings" (pp. ix-x).

Well! Here we have a noble attempt to avoid oversimplification, but at the cost of leaving the reader in considerable, and in my opinion quite unnecessary confusion. Sheehan provides us with a list of definitions of balance of power, but all of them say essentially the same thing: it comes into play when states join together to prevent their domination by another state or group of states. It stands to reason that over the centuries this principle will operate (or fail to operate) in very different ways, as Sheehan proceeds to illustrate by numerous examples.

The great weakness of this study is that it takes its examples exclusively from the European experience, nor does it emphasize that states within a balance of power system may themselves exercise hegemonic power over states or peoples within their respective spheres of influence. Thus we have Britain and Russia at opposite ends of Europe, each with immense empires under their control. No balance of power operated on behalf of India or the peoples of the Caucasus, or after World War II on behalf of the Soviet satellite states of Eastern Europe. Sheehan also fails to give adequate recognition to the fact that a balance of power has operated most effectively when it was not confrontational, as in 1914, but inclusive—for example, when defeated France was brought into the balance system created by its former enemies, thus making France part of a balance against a potentially aggressive Russia.

Here we come upon another problem not adequately addressed: What is the purpose of a balance of power in the first place? Sheehan suggests, and I would agree, that states have entered into a balance of power system to preserve their independence, and he seems to suggest further that its most salutary contribution has been its relative success in preserving international peace. On this point, however, one could argue that hegemonic empires that brought an array of states and peoples under their control have been even more effective in preserving social stability and peace: the empires of Rome and, yes, Britain and Russia spring to mind. Oppressive they may have been, but even states within a balance of power system have been oppressive, as in the case of Austria-Hungary and once again Britain and Russia.

Students of international politics, to whom this text is addressed, may find Sheehan's analyses useful, but in the end they may question whether he has succeeded in establishing the balance of power system as "a guiding light of national foreign policies and as a structural explanation of how the international system works" (p. x).

NORMAN RICH
Brown University

Crisis Bargaining and the State: The Domestic Politics of International Conflict *by Susan Peterson. Ann Arbor, University of Michigan Press, 1996. 208 pp. $42.00.*

Recent years have seen an explosion of literature on domestic politics and war. Although research on the "democratic peace" has been more visible, this fine book is further evidence

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

that there exists another, equally powerful conception of how domestic political systems relate to international relations. Although not yet labeled (perhaps "statist"), this perspective treats domestic politics as a more fluid phenomenon centered around state leaders (not fixed regime structures) and views its impact as modifying state responses to systemic constraints, not fundamentally transforming them. Peterson's tightly argued book advances this alternative conception with much theoretical insight supported by well-crafted comparative case studies.

Employing an institutionalist approach, the book analyzes the "domestic politics of crisis bargaining" between dyads of major powers in the Crimean, Fashoda, and the second Berlin crisis. The authors's theoretical task is twofold: to identify the arena in which the politics of foreign policy occurs and to isolate whose preferences shape crisis decisions. The analysis is grounded in a model of state structure with two dimensions: first, how diffused executive authority is and thus what is the degree of coalition building within it; and, second, how autonomous is the executive from the legislature and to what extent is it subject to broader societal interests. The interaction of these dimensions creates a four-way classification of states, ranging from unitary-autonomous elite, in which the beliefs of the single leader define policy, to a diffuse-autonomous elite plagued by internal divisions and strong societal pressures. The case studies encompass all four types of states—unitary-autonomous (Czarist Russia and cold war United States), unitary-nonautonomous (Third Republic France), diffuse-autonomous (USSR under Nikita Khrushchev), and diffuse-nonautonomous (Britain in the Crimean and Fashoda crises).

The theoretically well-informed cases generate numerous insights into the character of domestic political constraints and precisely how they shape crisis management. Along with fresh details about each crisis, the overall book advances the statist conception of domestic politics and foreign policy. Most fundamental is the full application of the institutional approach to explaining domestic politics and war. Peterson's classification scheme nicely captures equivalent levels of political constraints across the different institutional arrangements of not only presidential and parliamentary democracies, but also between democracies and authoritarian regimes. Striking, for example, is that Czarist Russia and the cold war United States have similarly centralized authority. The analysis, though, also shows the potential pitfalls of an institutional approach. For example, the legislative focus seems to lead the author to ignore the broader constraints posed by actors and well entrenched interests in another institution—the Communist party's Central Committee. It also seems important to look beyond formal institutions to the political relationships between competing actors (polarization and distrust) to tap the intensity of domestic political conflict. This might suggest differences or similarities in the fluid Whig-led coalitions of mid-Victorian Britain and those of its more modern Conservative-Liberal Unionist cabinets of the late 1890s. This is less a criticism of this book than of a strict institutional approach. Peterson's strong concluding chapter recognizes some of this and provides an excellent assessment of the approach's limitations.

The book's other two general contributions reflect the author's appreciation of the limits of political explanations and the need to place them in the context of other influences on foreign policy. On the one hand, the analysis is exceptional in blending domestic politics explanations with cognitive psychology. Avoiding the simplistic view that domestic politics mechanistically drives foreign policy choices, the author assesses political effects in terms of whose beliefs prevailed in the decision process, while also viewing these debates within the bounds of leaders' shared core beliefs. On the other hand, the entire analysis does not lose sight of the idea that all these domestic processes operate within the context of international pressures. No claims are made that domestic processes operate within the context

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

of international crises. Indeed, Peterson's ultimate contribution is to trace carefully how domestic structures condition state responses to crisis imperatives. Along with a better understanding of crisis management strategies, this impressive book effectively portrays a complex linkage between domestic politics and war that supplements the systemic premises of realism.

JOE D. HAGAN
West Virginia University

Ethnic Cleansing *by Andrew Bell-Fialkoff. New York, St. Martin's Press, 1996. 346 pp. $45.00.*

This is an interesting, important, and infuriating book. It isn't really about ethnic cleansing, moving/eliminating populations by violence; it's about how outsiders might physically move endangered groups, what might be called ethnic transfer. However, this topic is not even raised until the last section of the book, and few people will read far enough to encounter a novel and enormously controversial set of arguments about one of the major policy problems of our time.

The first section surveys cleansing (not exclusively ethnic) historically; it is competent and interesting, although cleansing is not clearly differentiated from other sorts of violence. The second section consists of ten case studies of recent, seemingly intractable ethnic violence. These chapters are generally quite solid, and again the focus is very much on ethnic violence rather than cleansing per se.

The third section clarifies things. The first two sections are supposed to establish that certain ethnic conflicts are intractable and will involve more cleansing. Given these premises, Bell-Fialkoff then argues that outsiders must consider physically separating the populations. He proposes a formula to guide decision making in such cases and applies it to his cases. (Inexplicably the maps and textual explanations are in different sections.)

The book is not a good treatment of ethnic cleansing. Definitions developed in the first section are ignored in the rest of the book. The mechanisms and consequences of cleansing are not clear. No ethnic wars that have not resulted in cleansing are included. The cases do not focus on cleansing but on the broader aspects of ethnic violence. However, this is really an issue of false advertising rather than scholarly weakness.

The analysis of ethnic transfer, the heart of the book, also has problems. It rests on a set of highly controversial assumptions, including (but not limited to): some ethnic wars are intractable; cleansing in such wars is inevitable; outsiders (unspecified) can distinguish intractable war from others; outsiders have moral obligation to act to prevent the inevitable violence to innocents in such wars; and physically separating the populations in such wars will not simply transfer the violence from internal to interstate conflict. Major practical issues are largely unaddressed. What if people don't want to go? Should force be used? Who will pay for all of this? Who decides who is a member of which group? Should people be prohibited from returning? Ethically, Bell-Fialkoff blurs two rather different options, deporting one population and ethnic transfers in connection with a partition of the state. Even if a group of people (all or most? elites and masses? all the time, some of the time, occasionally? violently or nonviolently?) decides to reject the state, it's not clear why it should be denied a fair share of its resources. The author likes the metaphor of divorce, but divorce implies alimony.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Nonetheless, this is an important book. For the first time someone has taken seriously the argument (made most recently by Chaim Kaufman, although he is not cited here) that some conflicts simply cannot be resolved without physically separating the participants and that, with all the attendant problems, it is better that it be done by outsiders than by enemies. These arguments will be highly controversial. They are based on assumptions I do not share. But, even with all its faults, this is a pioneering work that makes a major contribution to ethnic conflict resolution.

St. Martin's did a terrible job with this book. Aside from the problems noted above, no one seems to have copyedited the book; among a series of errors, perhaps the worst is that an important statistic on page 178 is simply omitted.

ROY LICKLIDER
Rutgers University

Putting Choice Before Democracy: A Critique of Rational Choice Theory *by Emily Hauptmann. Albany, State University of New York Press, 1996. 138 pp. Cloth, $44.50; paper, $14.95.*

Emily Hauptmann argues that a major problem exists in the relationship of rational choice theory to democracy and that the problem lies at the center of the theory, in its concept of "choice." Rational choice theorists have redefined democracy in economic terms as the primacy of individual choice. They have also identified some severe difficulties and major paradoxes when individuals make choices in politics. Methods of aggregating voters' choices can result in outcomes that fail to reflect the ordering of preferences, or individuals' choices have such an insignificant impact on the result that the rational choice is to choose not to choose (vote) at all. Not only is a dismal view of democracy painted by rational choice theorists, but Hauptmann concludes, they cannot justify their view of democracy.

She begins with a brief discussion of four founding texts of rational choice theory from the 1950s and 1960s (by Kenneth Arrow, Anthony Downs, James Buchanan and Gordon Tullock, and Mancur Olsen), together with William Riker's argument about social choice and democratic theory from 1982. Hauptmann draws attention to some curious features of choice in these texts and raises the crucial question of the adequacy of a rational choice understanding of political choice. The heart of the book is an analysis of the conception of choice in rational choice theory.

Rational choice theorists work with an instrumental view (choice as an efficient means to an end, or utility maximization) drawn from the economic model of the consumer choosing how to allocate resources in the market. A specific, narrow notion of choice is then generalized as choice itself. In an illuminating examination of the use of choice in ordinary language, Hauptmann shows just how specialized rational choice is and how it fails to capture the complexity of and some of the most significant features of choosing and not choosing, especially in politics. Consumer choices, which are often trivial, are not the same as political decisions; there is a difference between "choice" and "decision." Deliberation and commitments are important in politics, and abstention is more than merely a choice. In rational choice theory, choice is assumed to reveal preferences rather than express prudence, morality, or expertise. In general, the social context and circumstances that determine whether choice is valued, and how and if choices are made, is absent from rational choice theory.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

The motivations and incentives central to rational choice are important today for much public policy and for arguments about transitions to democracy. Hauptmann's critical focus on democracy and rational choice is thus important, but she says little about these broader issues. She devotes a chapter to ancient Athens in order to contrast democracy as individual choice with democracy based on the lot (she might more usefully have drawn on the insights in Barbara Goodwin's *Justice By Lottery*). Hauptmann notes that rational choice theorists will probably counter her major criticism by replying that they are not in the business of justifying democracy. No doubt many would argue that explanation, even if it reveals problems, is a sufficient undertaking in itself. Hauptmann believes this is mistaken and that justification is required. She does not, however, consider the possibility that there is an implicit justification—that ballots are better than bullets—in the rational choice theorists' minimalist, procedural view of democracy.

CAROLE PATEMAN
University of California, Los Angeles

The Social Democratic State: The Swedish Model and the Bureaucratic Problem of Social Reforms *by Bo Rothstein. Pittsburgh, University of Pittsburgh Press, 1996. 231 pp. $59.50.*

Social Democratic theory requires that the labor movement be able to attain political power and then to use the state to implement its policies. Marxist theories of the state maintain that the capitalist state does not lend itself to radical political initiatives. In this compelling study, Bo Rothstein illuminates this issue by contrasting a successful and an unsuccessful case of Swedish Social Democratic reformism. Policy success is measured by conformity with policy makers' intentions and by independent external assessments. Rothstein compares the successful performance of the Swedish National Labor Market Board (AMS) with the ineffective efforts of the National Board of Education (SÖ). In the former case, the labor movement replaced a widely-detested traditional bureaucracy with an ideologically-committed cadre organization, while in the latter case it failed to remold the state organization. Rothstein argues that the remaking of state institutions was an essential condition for successful policy implementation. Just as the contemporary literature on business organization and on reinventing government contrasts the rigidity of hierarchical, rule-driven bureaucracies with the responsiveness of service-oriented, goal-driven organizations, so Rothstein emphasizes the differing capacities of a Weberian bureaucracy and a cadre organization to undertake social intervention.

Rothstein focuses on an elected Social Democratic government's need to ensure that its policies are implemented effectively. Because existing bureaucracies have formed their own cultures and procedures, they are ill-suited to embark on novel and complex social reforms. Successful reformism requires transforming the state and developing new capacities for flexible, goal-driven intervention. In the case of labor market policy, the Swedish Social Democrats created in 1948 a new agency strongly committed to its objectives. In the case of education, they failed to transform the traditional bureaucracy until the 1980s; this portion of the state apparatus retained its class character, in part through failures of leadership, in part because the union movement did not embrace educational reforms with the same fervor as labor market reforms. In consequence, Rothstein argues, the Social Democrats could achieve their goals in labor market policy and produce a widely imitated model of

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

successful reform, whereas in educational policy they failed to democratize the school system and subsequent recruitment to higher education as they had intended.

Rothstein's work, as usual, is imaginatively conceived and meticulously crafted. It deserves a wide audience. His case studies shed new light on the much discussed area of Swedish labor market policy, as well as the lesser known sphere of educational policy; he demonstrates that the much-admired Swedish Social Democratic party was not uniformly successful in its reformist efforts. For organizational theory and comparative bureaucracy, Rothstein presents not only the fascinating case studies, but also keen observations about the importance of bureaucratic "legacies" and a powerful theoretical contrast between a traditional bureaucracy and a cadre organization. For students of Social Democracy and theories of the state, Rothstein properly emphasizes the state's malleability and its internal variation. "One of the aims of this study is to contest the view that the state is a unified entity marked by an even distribution of class and organizational features throughout its various agencies" (p. 31). To comparative method Rothstein brings sound observations about the necessity for multilevel analysis and a strong example of the virtues of intracountry comparison. For students of public policy and implementation, he confirms the importance of "street-level bureaucrats" and their commitment to organizational goals. Finally, for reformers, Rothstein's analysis indicates the importance of grounding reforms in institutional changes as well as policy innovations.

TIM TILTON
Indiana University

The Failure of U.S. Tax Policy: Revenue and Politics *by Sheldon D. Pollack. University Park, Pennsylvania State University Press, 1996. 321 pp, $29.95.*

Tax policy has failed, according to Sheldon Pollack, because the multiple objectives of that policy are inconsistent with the production of a reasonable and stable tax code. These objectives include, in addition to revenue, pursuing a social policy and providing rewards to political constituencies. The author makes his case by reviewing historical events, with a particular focus on events beginning in the late 1970s. After an opening chapter, a large section of the book reviews historical developments in tax policy, beginning with a survey covering the period from the Articles of Confederation to World War II. The historical survey then continues with postwar tax policy up to the 1980s, the policy of the 1980s, and the continuing developments in the 1990s up to the publication of the book. Throughout the historical survey, evidence of the importance of each of the factors is presented. For example, wars are typically associated with rising tax rates as revenue needs dominated, although ideology (populism, egalitarianism) was responsible for the origin of the income tax.

Chapter 6 focuses on recent changes in the policy-making process, mainly a weakening of congressional institutions that has resulted from many factors: a decline in the party system, the presence of tax policy entrepreneurs inside and outside of Congress, and the increased participation by outsiders, not only by special interests, but by public interest groups and the media.

Chapter 7 identifies sources of increasing complexity in the tax code, including the external environment, the thrust to eliminate tax abuses on fairness grounds, the refinements in the measurement of income based on economic concepts, the emergence of backstop pro-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

visions such as alternative minimum tax rules, and the increasing sophistication of the players in the tax game.

Chapter 8 discusses tax reform, mainly in the framework of a comprehensive progressive income tax. The main limitation in this chapter is that, while the author discusses tax reformers in the style of Joseph Pechman and Stanley Surrey (who make the case for such a comprehensive income tax base), he does not mention the group, largely of certain academic economists, who consider tax reform to be mostly about reducing taxes on capital income and lowering marginal tax rates in order to enhance economic growth (Martin S. Feldstein and Michael Boskin), and who might favor a consumption tax base.

Chapter 9 discusses the standard paradigm of the pluralist and incrementalist approach to policy making, where there are many contributions to the process and where changes are small. But how can one explain the departures from this standard—the major changes in the past and in recent years (1981, 1986, 1994)? Several factors are discussed, including regime politics, authority crises, and external crises. In the latter case, the slowdown in growth and the budget crisis are identified as two factors that affected tax policy making from the late 1970s on.

Following the book's conclusion, there is a postscript on the flat tax, and the author concludes that this idea is not going to go away. Recent events, however, have suggested that this one prediction may be wrong; the flat tax and other fundamental tax reform proposals were eclipsed by the business-as-usual politics of the 1997 compromise tax cut, where modest tax favors were handed out to suit many ideologies and political constituencies, leaving the tax code with further complications.

JANE G. GRAVELLE
Congressional Research Service

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Conversion Survey 1997: Global Disarmament and Disposal of Surplus Weapons *by the Bonn International Center for Conversion. New York, Oxford University Press, 1997. 317 pp. Cloth, $85.00; paper, $35.00.*

Dictionary of Mexican Rulers, 1325–1997 *by Juana Vazquez-Gomez. Westport, CT, Greenwood Press, 1997. 208 pp. $65.00.*

Directory of International Economic Organizations *by Hans-Albrecht Schraepler. Washington, DC, Georgetown University Press, 1997. 512 pp. $65.00.*

Guide to Methods for Students of Political Science *by Stephen Van Evera. Ithaca, NY, Cornell University Press, 1997. 136 pp. Paper, $10.00.*

Human Development in South Asia, 1997 *by Mahbub ul Haq. Karachi, Oxford University Press, 1997. 153 pp. Cloth, $30.00; paper, $23.00.*

Notable U.S. Ambassadors Since 1775: A Biographical Dictionary *edited by Cathal J. Nolan. Westport, CT, 1997. 448 pp. $95.00.*

The Politics of Academic Culture *by Heinz Eulau. Chatham, NJ, Chatham House Publishers, 1997. 224 pp. Paper, $19.95.*

Terrorism, 1992–1995: A Chronology of Events and A Selectively Annotated Bibliography *by Edward F. Mickolus with Susan L. Simmons. Westport, CT, Greenwood Press, 1997. 980 pp. $145.00.*

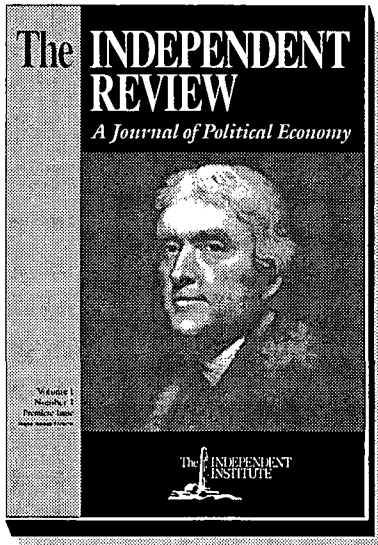
LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

"Excellent, diverse and wide-ranging."

— IRVING LOUIS HOROWITZ, Rutgers University

Transcending the all-too-common politicization and superficiality of public policy research and debate, ***The INDEPENDENT REVIEW*** is the interdisciplinary, quarterly journal devoted to political economy and the critical analysis of government policy. Edited by **Robert Higgs**, ***The INDEPENDENT REVIEW*** is superbly written, provocative, and based on solid scholarship.

Ranging across economics, political science, law, history, philosophy, sociology, and related fields, ***The INDEPENDENT REVIEW*** boldly challenges the politicization and bureaucratization of our world, featuring in-depth examinations of current policy questions by many of the world's outstanding scholars and policy experts. Undaunted and uncompromising, this is *the* journal that will pioneer future debate!



*"**The Independent Review** is of great interest."*
— C. VANN WOODWARD, Pulitzer Prize-Winner, Yale U.

*"**The Independent Review** is distinctive in badly needed ways."*
— LELAND YEAGER, Professor of Economics, Auburn U.

*"**The Independent Review** is an exciting new journal."*
— JOHN DIGGINS, Prof. of History, City U. of New York

". . . does not accept the pronouncements of government officials at face value, nor the conventional wisdom over serious public problems."
— JOHN MACARTHUR, Publisher, *Harper's Magazine*

*"**The Independent Review** avoids faddish pyrotechnics while seeking objectivity and high standards."*
— TIMUR KURAN, Prof. of Econ., U. of Southern California

"A great team, economic logic and tough analysis."
— BRUCE YANDLE, Former Executive Director, F.T.C.

In Recent Issues:

The Ambitious, Accommodative Adam Smith
— SALIM RASHID

Preventing Banking Crises in the Future
— GEORGE G. KAUFMAN

Why Did the East Germans Revolt?
— SUSANNE LOHMANN

The End of Welfare and the Contradiction of Compassion
— STEPHEN T. ZILIAK

The International Monetary System in Retrospect
— LELAND B. YEAGER

The Origins of the War on Drugs, 1984-1989
— BRUCE L. BENSON AND DAVID W. RASMUSSEN

Constitutional Rules, Political Accidents and History
— JENNIFER ROBACK MORSE

Market-Based Environmentalism and the Free Market
— ROY E. CORDATO AND PETER J. HILL

Why the Great Depression Lasted So Long and Why It Ended
— ROBERT HIGGS

The Case Against Psychiatric Coercion
— THOMAS S. SZASZ

- ✦ Feature Articles
- ✦ Book Reviews
- ✦ Special Features
- ✦ Figures and Tables
- ✦ 160 Pages per Issue
- ✦ March, June, Sept. & Dec.
- ✦ Annual Index
- ✦ Plus more . . .

Individual Subscriptions:
$27.95/1 year, $52.95/2 year
Institutional Subscriptions:
$83.95/1 year, $158.95/2 year
International orders:
Add $28/subscription shipping

Order Toll-Free (U.S.)

800-927-8733

Phone: 510-632-1366
Fax: 510-568-6040
review@independent.org
http://www.independent.org

The INDEPENDENT INSTITUTE

100 Swan Way, Dept. 7Y
Oakland, CA 94621-1428 USA

Look for *The INDEPENDENT REVIEW* on better newsstands and in bookstores!

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Political Science Quarterly

Volume 112
1997

Editor
DEMETRIOS JAMES CARALEY
Barnard College
Columbia University

Managing Editor
BONNIE B. HARTMAN

Manuscript Editor
JEAN HIGHLAND

POLITICAL SCIENCE QUARTERLY is a nonpartisan journal devoted to the study of government, politics, and international affairs.

Published continuously since 1886.

COPYRIGHT © 1997 by The Academy of Political Science. All rights reserved.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

POLITICAL SCIENCE QUARTERLY
EDITORIAL ADVISORY BOARD

Henry J. Abraham
University of Virginia

Robert J. Art
Brandeis University

Robert A. Divine
University of Texas at Austin

Jorge I. Domínguez
Harvard University

Doris A. Graber
University of Illinois at Chicago

Richard Haass
The Brookings Institution

Charles V. Hamilton
Columbia University

Hugh Heclo
George Mason University

Akira Iriye
Harvard University

Robert L. Jervis
Columbia University

Ira Katznelson
Columbia University

Everett Carll Ladd, Jr.
University of Connecticut

Walter LaFeber
Cornell University

Richard Ned Lebow
Ohio State University

Theodore J. Lowi
Cornell University

Burke Marshall
Yale University

John R. Petrocik
University of California Los Angeles

Richard M. Pious
Barnard College

Nelson W. Polsby
University of California, Berkeley

William B. Quandt
University of Virginia

Susan Rose-Ackerman
Yale University

Joseph Rothschild
Columbia University

Virginia Sapiro
University of Wisconsin-Madison

Arthur M. Schlesinger, Jr.
City University of New York

Robert Y. Shapiro
Columbia University

John J. Smee
Fordham University

Kathleen Thelen
Northwestern University

Allen S. Whiting
University of Arizona

M. Crawford Young
University of Wisconsin-Madison

BOARD OF DIRECTORS OF THE ACADEMY OF POLITICAL SCIENCE

George B. Monroe
Chairman of the Board

George Scharffenberger
Chairman Emeritus

William S. Woodside
Chairman Emeritus

E. Virgil Conway
Vice Chairman of the Board

Demetrios Caraley
President and Executive Director

Diana T. Murray
Vice President

Bill Green
Treasurer

Deborah Duff Milenkovitch
Secretary

Laura J. Corwin
General Counsel

C. Lowell Harriss
Senior Adviser

Anthony Grillo

Noel V. Lateef

Frank J. Macchiarola

Ralph da Costa Nunez

Norma Pace

Harvey Picker

Robert D. Reischauer

Tomio Taki

Manuscripts, books for review, and editorial correspondence should be addressed to Bonnie B. Hartman, Managing Editor, POLITICAL SCIENCE QUARTERLY, 475 Riverside Drive, Suite 1274, New York, New York 10115-1274. Manuscripts must be submitted in triplicate and accompanied by an abstract of between 100 and 200 words specifying the article's major theme or conclusions. Correspondence concerning advertising and reprint permission should be addressed to Loren Morales, Business Manager, The Academy of Political Science, 475 Riverside Drive, Suite 1274, New York, New York 10115-1274.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Contents of Volume 112

Articles

ALDRICH, JOHN H.	The Transition to Republican Rule in the House: Implications for Theories of Congressional Politics	541
BRATTON, MICHAEL	Deciphering Africa's Divergent Transitions	67
BROWN, MICHAEL K.	Bargaining for Social Rights: Unions and the Reemergence of Welfare Capitalism, 1945–1952	645
CORRALES, JAVIER	Do Economic Crises Contribute to Economic Reform? Argentina and Venezuela in the 1990s	617
DAVIES, GARETH	Race and Social Welfare Policy: The Social Security Act of 1935	217
DERTHICK, MARTHA	*see Davies, Gareth*	
DICKINSON, MATTHEW J.	Governing, Campaigning, and Organizing the Presidency: An Electoral Connection?	51
FISCHER, BETH A.	Toeing the Hardline? The Reagan Administration and the Ending of the Cold War	477
GARTHOFF, RAYMOND L.	A Review Essay of Robert M. Gate's Memoirs	137
GERONIMUS, ARLINE T.	Teenage Childbearing and Personal Responsibility: An Alternative View	405
HERBST, JEFFREY	Prospects for Elite-Driven Democracy in South Africa	595
HUNTER, WENDY	Continuity or Change? Civil-Military Relations in Democratic Argentina, Chile, and Peru	453
ISHIYAMA, JOHN T.	Transitional Electoral Systems in Post-Communist Eastern Europe	95
JERVIS, ROBERT	Complexity and the Analysis of Political and Social Life	569
KERSCH, KEN I.	Full Faith and Credit for Same-Sex Marriages?	117
LADD, EVERETT CARLL	1996 Vote: The "No Majority" Realignment Continues	1
LOMBARDI, BEN	Turkey—The Return of the Reluctant Generals?	191
MAURER, JOHN H.	Arms Control and the Anglo-German Naval Race before World War I: Lessons for Today?	285
McGILLION, CHRIS	"Disobedient" Generals and the Politics of Redemocratization: The Clinton Administration and Haiti	363
MERMIN, JONATHAN	Television News and American Intervention in Somalia: The Myth of a Media-Driven Foreign Policy	385
MORLEY, MORRIS	see McGillion, Chris	

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

PATASHNIK, ERIC M.	Unfolding Promises: Trust Funds and the Politics of Precommitment	431
ROHDE, DAVID W.	see Aldrich, John H.	
SCHLESINGER, ARTHUR M. JR.	Rating the Presidents: Washington to Clinton	179
SCOTT, JAMES M.	Interbranch Rivalry and the Reagan Doctrine in Nicaragua	237
SLATER, JEROME	Opinion: Netanyahu, A Palestinian State, and Israeli Security Reassessed	675
SPITZER, ROBERT J.	The Constitutionality of the Presidential Line-Item Veto	261
TENPAS, KATHRYN DUNN	see Dickinson, Matthew J.	
YETIV, STEVE A.	Peace, Interdependence, and the Middle East	29

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Books Reviewed

Agüero, Felipe, Soldiers, Civilians, and Democracy: Post-Franco Spain in Comparative Perspective — W. Rand Smith — 701

Ake, Claude, Democracy and Development in Africa — Frank Holmquist — 715

Andersen, Kristi, After Suffrage: Women in Partisan and Electoral Politics before the New Deal — Jane Junn — 697

Armacost, Michael H., Friends or Rivals? The Insider's Account of U.S.–Japan Relations — Andrew J. Rotter — 308

Bader, John B., Taking the Initiative: Leadership Agendas in Congress and the "Contract with America" — James G. Gimpel — 692

Baev, Pavel K., The Russian Army in a Time of Troubles — Laura V. Swartz — 331

Barnett, Michael N., ed., Israel in Comparative Perspective — Jerome Slater — 518

Barzilai, Gad, Wars, Internal Conflicts, and Political Order: A Jewish Democracy in the Middle East — Michael Barnett — 340

Bean, Jonathan J., Beyond the Broker State: Federal Policies Toward Small Business 1936–1961 — David Vogel — 530

Bell, Daniel, David Brown, Kanishka Jayasuriya, and **David Martin Jones,** Towards Illiberal Democracy in Pacific Asia — Lee Feigon — 360

Bell-Fialkoff, Andrew, Ethnic Cleansing — Roy Licklider — 730

Bimber, Bruce, The Politics of Expertise in Congress: The Rise and Fall of the Office of Technology Assessment — William T. Golden — 716

Binder, Sarah A. and **Steven S. Smith,** Politics or Principle? Filibustering in the United States Senate — J. Mark Wrighton — 713

Black, Allida M., Casting Her Own Shadow: Eleanor Roosevelt and the Shaping of Postwar Liberalism — James P. Young — 161

Boyle, Kevin, The UAW and the Heyday of American Liberalism, 1945–1968 — Amy Bridges — 172

Braden, Maria, Women Politicians and the Media — Doris A. Graber — 533

Brettschneider, Maria, Cornerstones of Peace: Jewish Identity Politics and Democratic Theory — Alan Dowty — 166

Brown, Clifford W., Lynda Powell, and **Clyde Wilcox,** Serious Money: Fundraising and Contributing in Presidential Nomination Campaigns — Jeffrey Milyo — 321

Brownlee, W. Elliot, ed., Funding the Modern American State, 1941–1995 — C. Lowell Harriss — 163

Buzzanco, Robert, Masters of War: Military Dissent and Politics in the Vietnam Era — Robert J. McMahon — 151

Carter, Dan T., From George Wallace to Newt Gingrich: Race in the Conservative Counter-revolution, 1963–1994 — Richard M. Valelly — 498

Cimbala, Stephen J., ed., Clinton and Post-Cold War Defense — James J. Wirtz — 147

Clarke, Jeanne Nienaber, Roosevelt's Warrior: Harold L. Ickes and the New Deal — James W. Davis — 335

Clarke, Simon, Peter Fairbrother, and **Vadim Borisov,** The Workers' Movement in Russia — Walter D. Connor — 723

Connor, Walter D., Tattered Banners: Labor, Conflict, and Corporatism in Postcommunist Russia — Leonard Benardo — 724

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Crewe, Ivor and **Anthony King,** SDP: The Birth, Life, and Death of the Social Democratic Party — Leon D. Epstein 352

Critchlow, Donald T., ed., The Politics of Abortion and Birth Control in Historical Perspective — Sally G. McMillen 175

Delli Carpini, Michael X. and **Scott Keeter,** What Americans Know about Politics and Why It Matters — Eric R. A. N. Smith 314

DeSipio, Louis, Counting the Latino Vote: Latinos as a New Electorate — Juan Carlos Huerta 501

Dickinson, Edward Ross, The Politics of German Child Welfare from the Empire to the Federal Republic — Andrew Lees 351

Dobson, Alan P., Anglo-American Relations in the Twentieth Century: Of Friendship, Conflict, and the Rise and Decline of Superpowers — Roger Adelson 347

Domhoff, G. William, State Autonomy or Class Dominance? Case Studies on Policy Making in America — Edward W. Lehman 317

Domínguez, Jorge I. and **James A. McCann,** Democratizing Mexico: Public Opinion and Electoral Choices — Robert A. Pastor 153

Domínguez, Jorge I. and **Marc Lindenberg,** eds., Democratic Transitions in Central America — Consuelo Cruz 694

Drake, W. Avon and **Robert D. Holsworth,** Affirmative Action and the Stalled Quest for Black Progress — Wilbur C. Rich 500

Dumbrell, John, American Foreign Policy: Carter to Clinton — Walter LaFeber 714

Eickelman, Dale F. and **James Piscatori,** Muslim Politics — Stephen Pelletiere 516

Eisenberg, Carolyn Woods, Drawing the Line: The American Decision to Divide Germany, 1944–1949 — Loyd E. Lee 334

Eldersveld, Samuel J., Party Conflict and Community Development: Postwar Development in Ann Arbor — Cynthia Y. Jackson 527

Esposito, John L. and **John O. Voll,** Islam and Democracy — Stephen Pelletiere 516

Fenno, Richard F., Senators on the Campaign Trail: The Politics of Representation — Sarah A. Binder 145

Fischer, Claude S., Michael Hout, Martin Sanchez Jankowski, Samuel R. Lucas, Ann Swidler, and **Kim Voss,** Inequality by Design: Cracking the Bell Curve Myth — Lawrence Bobo 315

Fitzgerald, Keith, The Face of the Nation: Immigration, the State, and the National Identity — Elliott Robert Barkan 173

Foerstel, Karen and **Herbert N. Foerstel,** Climbing the Hill: Gender Conflict in Congress — Roberta S. Siegel 322

Foley, Michael and **John E. Owens,** Congress and the Presidency — Louis Fisher 150

Fowler, Will, ed., Authoritarianism in Latin America Since Independence — Charles L. Stansifer 346

Fulbrook, Mary, Anatomy of a Dictatorship: Inside the GDR — Melvin Croan 353

Gaiduk, Ilya V., The Soviet Union and the Vietnam War — Fredrik Logevall 709

Gaines, Kevin K., Uplifting the Race: Black Leadership, Politics, and Culture in the Twentieth Century — Taeku Lee 359

Gans, Herbert, The War Against the Poor: The Underclass and Anti-Poverty Policy — Loïc J. D. Wacquant 159

Giovannini, Alberto, The Debate on Money in Europe — Kathleen R. McNamara 535

Graber, Mark A., Rethinking Abortion: Equal Choice, the Constitution, and Reproductive Politics — David S. Meyer 358

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Halliday, Fred, Islam and the Myth of Confrontation: Religion and Politics in the Middle East — Fawaz A. Gerges 337

Handler, Joel F., Down from Bureaucracy: The Ambiguity of Privatization and Empowerment — Laurence E. Lynn, Jr. 174

Harris, Nigel, The New Untouchables: Immigration and the New World Worker — Peter Rachleff 537

Hauptmann, Emily, Putting Choice Before Democracy: A Critique of Rational Choice Theory — Carole Pateman 731

Herspring, Dale R., Russian Civil-Military Relations — Laura V. Swartz 708

Hess, Stephen, Presidents and the Presidency — Samuel T. McSeveney 156

Hilsman, Roger, The Cuban Missile Crisis: The Struggle Over Policy — Richard Ned Lebow 152

Hirst, Paul and **Grahame Thompson,** Globalization in Question: The International Economy and the Possibilities of Governance — Richard L. Merritt 169

Holzer, Harry J., What Employers Want: Job Prospects for Less-Educated Workers — Hilary Williamson Hoynes 357

Huntington, Samuel P., The Clash of Civilizations and the Remaking of World Order — Robert Jervis 307

Iriye, Akira, Cultural Internationalism and World Order — Thomas Schoonover 695

Israelyan, Victor, Inside the Kremlin During the Yom Kippur War — Carol R. Saivetz 339

Jacobsohn, Gary Jeffrey and **Susan Dunn,** eds., Diversity and Citizenship: Rediscovering American Nationhood — Philip Gleason 504

James, Harold, International Monetary Cooperation since Bretton Woods — Kathleen R. McNamara 535

Katznelson, Ira, Liberalism's Crooked Circle: Letters to Adam Michnik — William E. Scheuerman 165

Kaufman, Burton I., The Arab Middle East and the United States: Inter-Arab Rivalry and Superpower Diplomacy — Fawaz A. Gerges 337

Keohane, Robert O. and **Helen V. Milner,** eds., Internationalization and Domestic Politics — J. Samuel Barkin 141

Kertzer, David I., Politics and Symbols: The Italian Communist Party and the Fall of Communism — Alexander De Grand 726

Khazanov, Anatoly M., After the USSR: Ethnicity, Nationalism, and Politics in the Commonwealth of Independent States — Alfred J. Rieber 333

Kiernan, Ben, The Pol Pot Regime: Race, Power, and Genocide in Cambodia under the Khmer Rouge — Douglas Pike 349

Kinder, Donald R. and **Lynn M. Sanders,** Divided by Color: Racial Politics and Democratic Ideals — Jennifer Hochschild 497

Klinkner, Philip A., ed., Midterm: The Elections of 1994 in Context — James E. Campbell 698

Kluger, Richard, Ashes to Ashes: America's Hundred-Year Cigarette War, the Public Health, and the Unabashed Triumph of Philip Morris — Wendy J. Schiller 318

Korn, Jessica, The Power of Separation: American Constitutionalism and the Myth of the Legislative Veto — Louis Fisher 523

Kuo, Chen-Tian, Global Competition and Industrial Growth in Taiwan and the Philippines — Xiangming Chen 309

Laham, Nicholas, A Lost Cause: Bill Clinton's Campaign for National Health Insurance — Anne Lenhard Reisinger 522

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Larkin, Bruce D., Nuclear Designs: Great Britain, France, and China in the Global Governance of Nuclear Arms — Jim Walsh 700

Lebow, Richard Ned, The Art of Bargaining — Christopher Gelpi 312

Lee, Martha, The Nation of Islam: An American Millenarian Movement — Adam B. Seligman 505

Leng, Tse-Kang, The Taiwan-China Connection: Democracy and Development Across the Taiwan Straits — Thomas B. Gold 515

Leys, Colin, The Rise and Fall of Development Theory — M. Crawford Young 162

Linz, Juan J. and **Alfred Stepan,** Problems of Democratic Transition and Consolidation: Southern Europe, South America, and Post-Communist Europe — Scott Mainwaring 507

Lipset, Seymour Martin, American Exceptionalism: A Double-Edged Sword — James A. Morone 506

Lowi, Theodore J., The End of the Republican Era — Hugh Davis Graham 157

Mace, Gordon and **Jean-Philippe Therien,** eds., Foreign Policy and Regionalism in the Americas — Robert A. Pastor 326

MacInnes, Gordon, Wrong for all the Right Reasons: How White Liberals Have Been Undone by Race — James Borchert 164

Maraniss, David and **Michael Weisskopf,** "Tell Newt to Shut Up" — Richard M. Pious 146

Mastny, Vojtech, The Cold War and Soviet Insecurity: The Stalin Years — Melvyn P. Leffler 722

Mayer, William G., The Divided Democrats: Ideological Unity, Party Reform, and Presidential Elections — Francis E. Rourke 502

McClure, Sandy, Christie Whitman: A Political Biography for the People — Roberta S. Siegal 322

Medrano, Juan Díez, Divided Nations: Class, Politics, and Nationalism in the Basque Country and Catalonia — W. Rand Smith 701

Miller, Warren E. and **J. Merrill Shanks,** The New American Voter — Robert Y. Shapiro 313

Ndulu, Benno, Nicolas van de Walle, and **contributors,** Agenda for Africa's Economic Renewal — David K. Leonard and Elliot Posner 710

Newman, Michael, Democracy, Sovereignty and the European Union — Michael J. Baun 534

Norden, Deborah L., Military Rebellion in Argentina: Between Coups and Consolidation — David Pion-Berlin 344

Opp, Karl-Dieter, Peter Voss, and **Christiane Gern,** Origins of a Spontaneous Revolution: East Germany, 1989 — Melvin Croan 353

Orfield, Gary, Susan E. Easton, and **the Harvard Project on School Desegregation,** Dismantling Desegregation: The Quiet Reversal of Brown v. Board of Education — Paul Teske 691

Peleg, Ilan, Human Rights in the West Bank and Gaza: Legacy and Politics — James Ron 342

Peterson, Susan, Crisis Bargaining and the State: The Domestic Politics of International Conflict — Joe D. Hagan 728

Phongpaichit, Pasuk and **Chris Baker,** Thailand: Economy and Politics — Jim LoGerfo 514

Picard, Elizabeth, Lebanon: A Shattered Country — Michael C. Hudson 703

Plotke, David, Building a Democratic Political Order: Reshaping American Liberalism in the 1930s and 1940s — Edwin Amenta 355

Pollack, Sheldon D., The Failure of U.S. Tax Policy: Revenue and Politics — Jane G. Gravelle 733

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Pomper, Gerald M., Walter Dean Burnham, Anthony Corrado, Marjorie Randon Hershey, Marion R. Just, Scott Keeter, Wilson Carey McWilliams, and **William G. Mayer,** The Election of 1996: Reports and Interpretations — Norman R. Luttbeg — 696

Potash, Robert A., The Army and Politics in Argentina, 1962–1973: From Frondizi's Fall to the Peronist Restoration — David Pion-Berlin — 344

Potter, David M., Japan's Foreign Aid to Thailand and to the Philippines — Miranda A. Schreurs — 513

Rathmell, Andrew, Secret War in the Middle East: The Covert Struggle for Syria, 1949–1961 — David W. Lesch — 343

Reeher, Grant, Narratives of Justice: Legislators' Beliefs about Distributive Fairness — Kay Lehman Schlozman — 704

Reischauer, Robert D., ed., Setting National Priorities: Budget Choices for the Next Century — Robert C. Lowry — 712

Reiter, Dan, Crucible of Beliefs: Learning, Alliances, and World Wars — Randall L. Schweller — 329

Renshon, Stanley A., High Hopes, The Clinton Presidency and the Politics of Ambition — Erwin C. Hargrove — 142

Richardson, Louise, When Allies Differ: Anglo-American Relations during the Suez and Falklands Crises — Gene A. Sessions — 705

Roman, Peter, Eisenhower and the Missile Gap — Christopher Preble — 720

Rothstein, Bo, The Social Democratic State: The Swedish Model and the Bureaucratic Problem of Social Reforms — Tim Tilton — 732

Rozell, Mark, In Contempt of Congress: Postwar Press Coverage on Capitol Hill — John J. Smee — 524

Rozell, Mark J. and **Clyde Wilcox,** Second Coming: The New Christian Right in Virginia Politics — Corwin Smidt — 717

Rubin, Barnett R., The Search for Peace in Afghanistan: From Buffer State to Failed State — Raymond Callahan — 336

Samuels, Suzanne Uttaro, Fetal Rights, Women's Rights: Gender Equality in the Workplace — Joyce Gelb — 531

Sbragia, Alberta M., Debt Wish: Entrepreneurial Cities, U.S. Federalism, and Economic Development — Todd Swanstrom — 528

Schantz, Harvey L., ed., American Presidential Elections: Process, Policy, and Political Change — Jeffrey S. Walz — 155

Scher, Richard K., Jon L. Mills, and **John J. Hotaling,** Voting Rights and Democracy: The Law and Politics of Districting — Frank J. Macchiarola — 171

Serrano, Monica and **Victor Bulmer-Thomas,** eds., Rebuilding the State: Mexico After Salinas — Robert A. Pastor — 153

Sheehan, Michael, The Balance of Power: History and Theory — Norman Rich — 727

Shogan, Robert, Hard Bargain: How FDR Twisted Churchill's Arm, Evaded the Law, and Changed the Role of the American Presidency — Warren F. Kimball — 348

Skidmore, David, Reversing Course: Carter's Foreign Policy, Domestic Politics, and the Failure of Reform — Joseph Lepgold — 323

Skocpol, Theda, Boomerang: Clinton's Health Security Effort and the Turn Against Government in U.S. Politics — Anne Lenhard Reisinger — 325

Small, Melvin, Democracy and Diplomacy: The Impact of Domestic Politics on U.S. Foreign Policy, 1789–1994 — T. Clifton Morgan — 327

Smith, Gordon B., Reforming the Russian Legal System — Peter Juviler — 707

Smith, Jean Edward, John Marshall: Definer of a Nation — Herbert Sloan — 526

Sparer, Michael S., Medicaid and the Limits of State Health Reform — James W. Fossett — 718

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Spear, Joanna, Carter and Arms Sales: Implementing the Carter Administration's Arms Transfer Restraint Policy — Stephanie G. Neuman — 330

Stearns, Monteagle, Talking to Strangers: Improving American Diplomacy at Home and Abroad — Greg Russell — 170

Steinberg, Belma S., Shame and Humiliation: Presidential Decision Making on Vietnam — Robert A. Divine — 168

Tabb, William K., The Postwar Japanese System: Cultural Economy and Economic Transformation — David Arase — 510

Teles, Steven M., Whose Welfare? AFDC and Elite Politics — Donna Wilson Kirchheimer — 719

Thurber, James A., ed., Rivals for Power: Presidential-Congressional Relations — Bruce Miroff — 149

Thurston, Robert W., Life and Terror in Stalin's Russia: 1934–1941 — Andrea Chandler — 725

Tynes, Sheryl R., Turning Points in Social Security: From "Cruel Hoax" to "Sacred Entitlement" — Edward D. Berkowitz — 158

Uriu, Robert M., Troubled Industries: Confronting Economic Change in Japan — Ulrike Schaede — 511

Vogel, David, Kindred Strangers: The Uneasy Relationship between Politics and Business in America — William B. Friedricks — 529

Wallander, Celeste A., ed., The Sources of Russian Foreign Policy after the Cold War — Steve Marks — 144

Warshaw, Shirley Anne, The Domestic Presidency: Policy Making in the White House — Matthew J. Dickinson — 520

Weber, Thomas, Gandhi's Peace Army: The Shanti Sena and Unarmed Peacekeeping — Dennis Dalton — 354

Westerfield, Donald L., War Powers: The President, the Congress, and the Question of War — Michael Rubner — 143

Wetstein, Matthew E., Abortion Rates in the United States: The Influence of Opinion and Policy — Christopher Wlezien — 177

Wilcox, Clyde, Onward Christian Soldiers: The Religious Right in American Politics — Allen D. Hertzke — 503

Winik, Jay, On the Brink: The Dramatic Behind-the-Scenes Saga of the Reagan Era and the Men and Women Who Won the Cold War — Robert A. Divine — 519

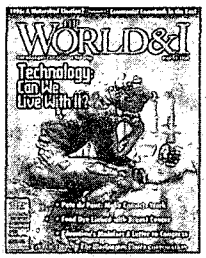
Wiseman, John A., The New Struggle for Democracy in Africa — Robert Fatton, Jr. — 319

Yahuda, Michael, The International Politics of the Asia-Pacific, 1945–1995 — Akira Iriye — 509

Yansane, Aguibou Y., ed., Development Strategies in Africa: Current Economic, Socio-Political, and Institutional Trends and Issues — Goran Hyden — 517

Zubok, Vladislav and **Constantine Pleshakov,** Inside the Kremlin's Cold War: From Stalin to Khrushchev — Marshall D. Shulman — 311

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED



"The World & I is the greatest magazine ever. I read it cover to cover."

Fred Turek, Great Falls, Va.

THE WORLD&I

The Magazine for Serious Readers

"The World & I publishes the most comprehensive text I have ever seen."
James Krasowski, Buffalo, N.Y.

Dear Potential Subscriber:

Are you a serious reader - a reader who enjoys continuing to learn?

If your answer is "yes," then a simple yet powerful resource awaits you.

It's called *The World & I*. And it's published monthly expressly for people who want to keep up-to-date on the most significant developments and trends of our time in every aspect of human endeavor - from politics and culture to scientific breakthroughs. It's for people who love to read and value learning. If this describes you, then I urge you to discover *The World & I* ... today!

Every issue of **The World & I** - filled to the brim with timely and important information - is a fascinating chapter in the on-going chronicle of humankind's development. Quite simply, no other periodical in the world compares with it.

The World & I is packed with dazzling photographs and illustrations, magnificent full-color art reproductions ... plus page after page of fascinating in-depth articles and essays, many of which explore potentially life-changing developments for all of us, by the world's foremost scholars, authors, scientists, philosophers, artists, and statesmen.

You absolutely must see for yourself to believe the quality and value packed into every 350- page issue. To receive your risk-free copy of *The World & I*, just return the attached coupon. We'll send you the next available issue.

Sincerely yours,

Morton A. Kaplan

Morton A. Kaplan
Editor and Publisher

Try it FREE!

No Risk ...
No Cost ...
No Obligation!

EACH MONTH THE WORLD & I OFFERS:

- CURRENT ISSUES
- THE ARTS
- NATURAL SCIENCE
- LIFE
- CULTURE
- BOOK WORLD
- MODERN THOUGHT

YES, I want to receive a Risk-Free Trial Issue at no cost or obligation. If I like *The World & I*, my price will be $45 (regular cover price is $120 per year) for all eleven remaining issues. If I am not totally satisfied with my trial copy, I will simply return my invoice marked "cancel" and owe nothing.

UJAAAQ

☐ 1 year for $45 ☐ 6 months for $25

Payment Method: ☐ Payment Enclosed ☐ Bill me ☐ VISA/MC ☐ AMEX

Name _____

Address _____

City _____ State _____ Zip _____

Card No. _____ Exp. Date _____ Signature _____

THE WORLD&I

A Publication of The Washington Times Corporation
3400 New York Ave. NE, Washington, DC 20002

For faster service call
1-800-822-2822
or fax
1-202-526-3497

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

POLITICAL RESEARCH QUARTERLY

Official journal of the
Western Political Science Association
published since 1948 by the University of Utah,
the *Quarterly* offers:

- A wide range of articles based on research in the field of political science aimed at the professional political scientist
- Four issues per year published March, June, September, December. The final issue of each volume contains an author index
- Back issues and microfilm
- Membership in the Western Political Science Association
- Low annual subscription rates:
  $30.00–individuals • $44.00–couples
  $11.00–students and retired members
  $50.00–institutions (agency discounts available)

Subscribers from Canada and Mexico add $2.50 for postage; other foreign subscribers add $4.00 for postage

WORLD WIDE WEB

The *Political Research Quarterly* now maintains a home page on the World Wide Web which lists forthcoming articles, announcements, editorial board members, and other items of interest. The address of the PRQ's home page is:

http://www.u.arizona.edu/~prq/

For more information about the **Political Research Quarterly**
or to subscribe, contact:
Political Research Quarterly
University of Utah, Political Science Department
260 So. Central Campus Dr., Room 252
Salt Lake City, Utah 84112-9153 USA
Phone: (801) 581-7031 FAX: (801) 585-6492

FREE EXAMINATION COPY OF THE PRQ WILL BE SENT AT YOUR REQUEST

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

POLITICAL RESEARCH QUARTERLY

NEW SUBSCRIPTION ORDER FORM

Rates for One Year

Individual	$30.00*
Couples	44.00*
Student/Retirees	11.00*
Institutions	50.00†

* Includes membership in the Western Political Science Association
† Agency discounts available

Subscriber

Name: _____

Address: _____

City/State/Zip: _____

Country: _____

Membership

☐ Individual ☐ Couple ☐ Student/Retiree ☐ Institution

Please enclose check for U.S. funds payable to the

Political Research Quarterly
University of Utah, Political Science Dept.
260 So. Central Campus Dr., Rm. 252
Salt Lake City, Utah 84112-9153 USA

Phone: (801) 581-7031
FAX: (801) 585-6492

Official journal of the Western Political Science Association
Pacific Northwest Political Science Association
Southern California Political Science Association
Northern California Political Science Association

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

The Limits of Rawlsian Justice

ROBERTO ALEJANDRO

The idea of fairness lies at the heart of the concept of justice proposed by John Rawls, a concept that liberals have often invoked to defend the welfare state. Alejandro challenges these assumptions and urges us to acknowledge the limits of Rawlsian justice both as a defense of the welfare state and as the basis of a just society.

$39.95 hardcover

Race, Self-Employment, and Upward Mobility

An Illusive American Dream

TIMOTHY BATES

Timothy Bates refutes conventional notions about entrepreneurship. He compares black and Asian self-employment, and he addresses the place of entrepreneurship in upward mobility among disadvantaged persons and the role of government in assisting them.

Woodrow Wilson Center Press

$16.95 paperback

The Political University

Policy, Politics, and Presidential Leadership in the American Research University

ROBERT M. ROSENZWEIG

The former Stanford administrator and president of the Association of American Universities offers an insider's perspective on research universities, the AAU, and the Washington political agenda.

$31.95 hardcover

Cityscapes and Capital

The Politics of Urban Development

MICHAEL A. PAGANO AND ANN O'M. BOWMAN

"The authors' genuinely unique contribution to our understanding of urban development . . . lies in their emphasis on the vision, images, and aspirations of urban leadership."—*Journal of Politics*

$15.95 paperback

Congressional Caucuses in National Policymaking

SUSAN WEBB HAMMOND

While caucuses can contribute to greater coordination, efficiency, and even effective policy planning, Susan Webb Hammond finds that they may also tend to fragment the Congressional system, because they serve as alternative sources of information, communication, and voting coalitions outside the formal structure of Congress.

$39.95 hardcover

The American Speakership

The Office in Historical Perspective

second edition

RONALD M. PETERS, JR.

"The definitive treatment of the speakership." —*Journal of Politics*, reviewing the first edition

This new edition brings the book up to the Gingrich era.

$16.95 paperback

The Constitution of Judicial Power

Defending the Activist Tradition

SOTIRIOS A. BARBER

"A landmark achievement, one from which future arguments will have to take their bearings." —Stanley C. Brubaker, *American Political Science Review*

The Johns Hopkins Series in Constitutional Thought

$15.95 paperback

Rights across Borders

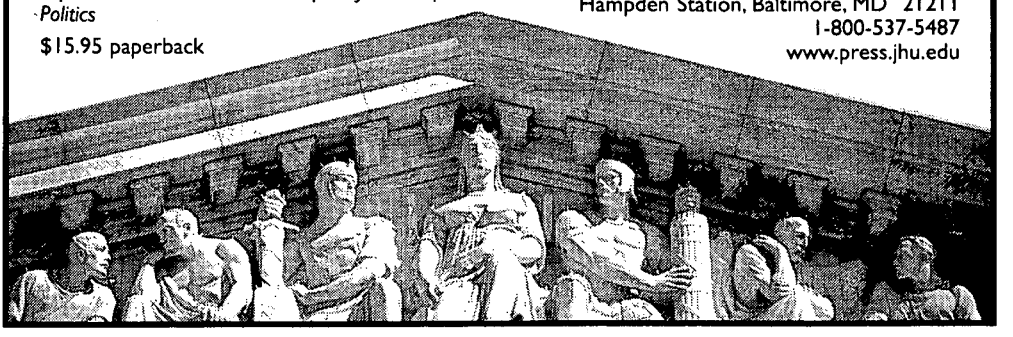
Immigration and the Decline of Citizenship

DAVID JACOBSON

"This short but well-written book addresses a neglected aspect of the contemporary decline of the nation-state."—Francis Fukuyama, *Foreign Affairs*

$14.95 paperback

THE JOHNS HOPKINS UNIVERSITY PRESS
Hampden Station, Baltimore, MD 21211
1-800-537-5487
www.press.jhu.edu



LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

American Leadership, Ethnic Conflict, and The New World Politics

Demetrios James Caraley and Bonnie B. Hartman, Editors

A collection of recent essays from the Political Science Quarterly.

From the Introduction...

"Over the past three years, *Political Science Quarterly* authors, like many other analysts, have agreed on three general propositions. First, much about the future of world politics will depend on American leadership. Second, ethnicity and ethnic conflict will loom large. Third, even if most countries are being buffeted by the same forces, their politics will evolve quite differently depending on local histories, societies and choices."

Contents...

- **Introduction: The Contours of the New World**
  Robert Jervis, *Columbia University*
- **The Future of International Leadership**
  G. John Ikenberry, *University of Pennsylvania*
- **Third Try at World Order? America and Multilateralism after the Cold War**
  John Gerard Ruggie, *Columbia University*
- **Why Western Europe Needs the United States and NATO**
  Robert J. Art, *Brandeis University*
- **Racial and Ethnic Conflicts: A Global Perspective**
  Rita Jalali, *Michigan State University* and Seymour Martin Lipset, *George Mason Univeristy*
- **Pathological Dimensions of Domestic and International Ethnicity**
  Donald Rothchild and Alexander J. Groth, *University of California, Davis*
- **Ethnic Diasporas and U.S. Foreign Policy**
  Yossi Shain, *Tel Aviv University*
- **A Democratic Dilemma: System Effectiveness versus Citizen Participation**
  Robert A. Dahl, *Yale University*
- **The Struggle for a National Identity in Post-Soviet Russia**
  Glenn Chafetz, *University of Memphis*
- **Regional Security after the Gulf War**
  Michael N. Barnett, *University of Wisconsin, Madison*

1997 • 206 Pages • $19.95 (Academy Members: $15.95)

The Academy of Political Science
475 Riverside Drive • Suite 1274 • New York, NY 10115-1274
Tel: 212-870-2500 • Fax: 212-870-2202 • http://epn.org/psq.html

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

THE ACADEMY OF POLITICAL SCIENCE

BOARD OF DIRECTORS

George B. Munroe
Chairman of the Board

George T. Scharffenberger
William S. Woodside
Chairmen Emeriti

E. Virgil Conway
Vice Chairman of the Board

Demetrios James Caraley
President

Diana T. Murray
Vice President

Bill Green
Treasurer

Deborah Duff Milenkovitch
Secretary

Laura J. Corwin
General Counsel

C. Lowell Harriss
Senior Adviser

Anthony Grillo
Noel V. Lateef
Frank J. Macchiarola
Ralph da Costa Nunez
Norma Pace
Harvey Picker
Robert D. Reischauer
Tomio Taki

HONORARY MEMBERS

Claude T. Bissell
Harry A. Blackmun
Daniel J. Boorstin
George Bush
Roberto de O. Campos
Jimmy Carter
Jorge Castañeda
Barber B. Conable, Jr.
Robert H. Connery
Abba Eban
Gerald R. Ford
Lady Bird Johnson
Michael J. Mansfield
N. A. Palkhivala
Ronald Reagan
David Rockefeller
Lord Roll of Ipsden
George P. Shultz
Robert Stanfield
Richard v. Weizsäcker

The Academy of Political Science, founded in 1880, promotes objective, scholarly analyses of political, social, and economic issues. Through its conferences and publications it seeks to inform the public by presenting divergent views of these problems. It does not make policy recommendations.

Regular membership: one year, $39.00; two years, $70.00; three years, $93.00; student, $27.00 a year. Libraries and institutions $159.00 a year. Second-class postage paid at New York, N.Y. and additional mailing offices. Foreign postage is $8.00 additional per year. Volume 112 Number 4, Winter 1997–98.

Special membership: contributing, $75; fellow, $150; patron, $250; benefactor, $1,000. *Contributions are tax deductible.* Credit cards accepted: American Express, MasterCard, and Visa.

THE ACADEMY OF POLITICAL SCIENCE
475 RIVERSIDE DRIVE, SUITE 1274 / NEW YORK, NY 10115-1274
(212) 870-2500 / FAX (212) 870-2202

0 74470 81197 8

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED